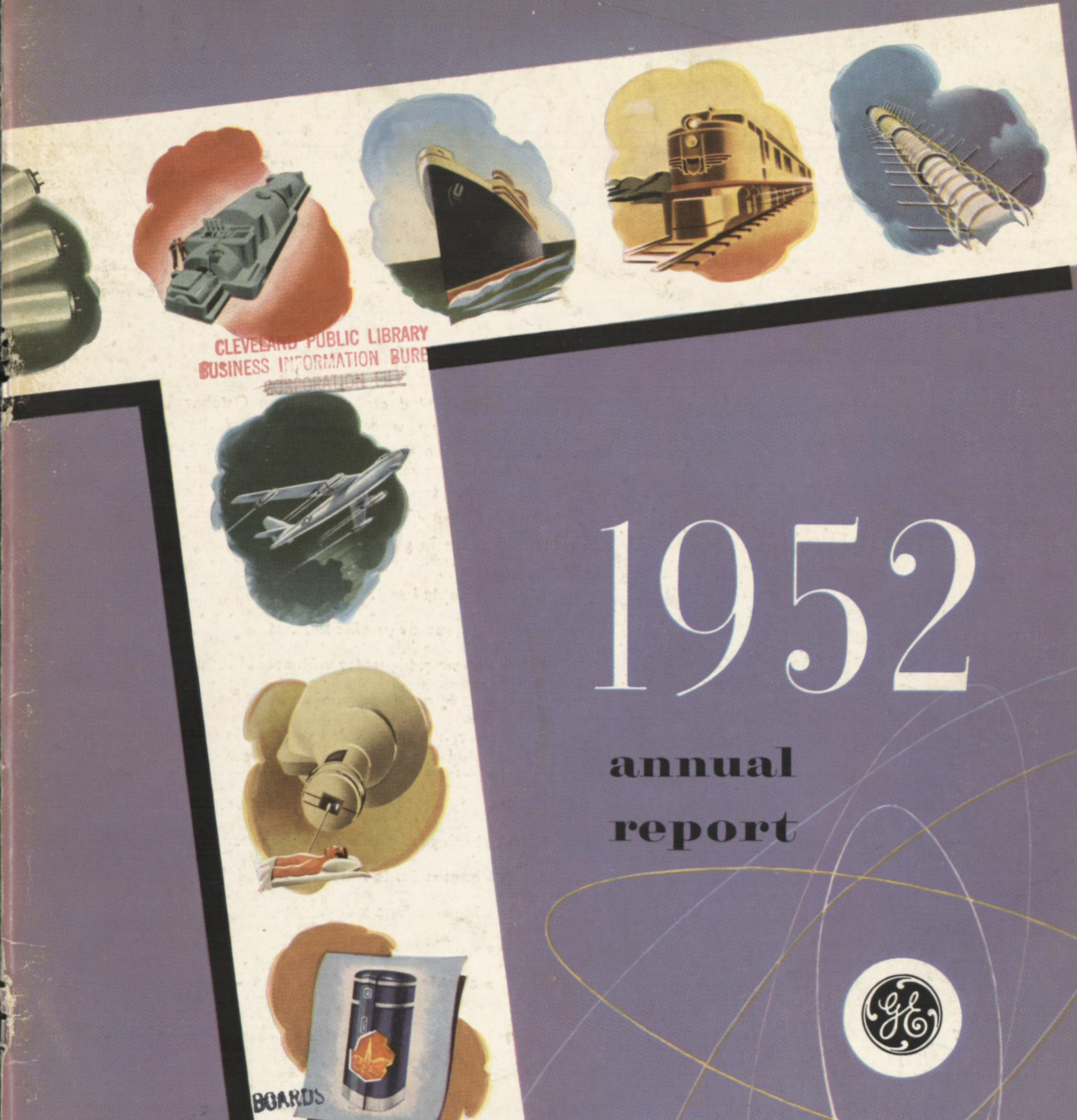


CLEVELAND PUBLIC LIBRARY
BUSINESS INFORMATION BURE
~~CORPORATION FILE~~

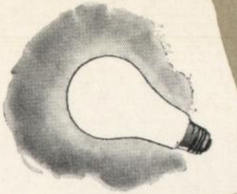
BOARDS

q334.211
G286r

1952

annual report

GENERAL ELECTRIC


1

2

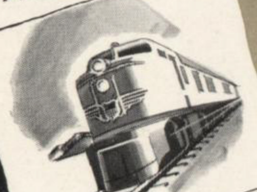
3

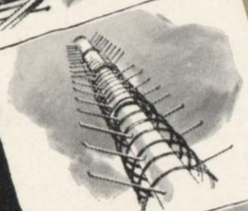
4

5

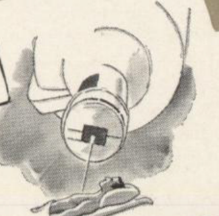
1878 75 1953
YEARS OF ELECTRICAL
PROGRESS

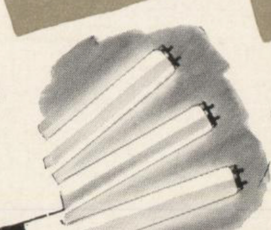
6


7


8

9


10


11

12

Three quarters of a century ago, on October 15, 1878, Thomas A. Edison organized the first of the companies which, in 1892, became the General Electric Company. In commemoration, the cover portrays a few of the outstanding contributions which General Electric has developed and brought to the American public during "75 years of electrical progress." These include:

1. **The electric lamp.**
2. **The automatic electric blanket.**
3. **The home refrigerator with sealed mechanism.**
4. **The oil furnace designed as one complete unit.**
5. **The large steam turbine for electric power.**
6. **Turbine electric ship drive.**
7. **The gas turbine electric locomotive.**
8. **The high power UHF television transmitter.**
9. **The engine for the first U.S. jet plane.**
10. **The high-voltage x-ray.**
11. **The fluorescent lamp.**
12. **The electric disposer for kitchen wastes.**

GENERAL ELECTRIC

1952

SIXTY FIRST

annual report

GENERAL ELECTRIC COMPANY, SCHENECTADY, NEW YORK

In this Report, the terms "General Electric" and "Company" relate to the consolidated group of companies as listed in Note 1 on page 30. The terms "Share Owners," "Common Stock," "Directors" and "Officers" generally apply only to the Parent Company. Individual companies, or other groups of companies, are specifically identified. Amounts stated in round numbers, as a rule, are approximate.

Contents

PAGE

The Year in Brief................ 2

President's Letter to Share Owners............. 3

Financial Review

Sales and Production.......... 5
Earnings and Taxes........... 6
Dividends..................... 6
Cash and Marketable Securities.. 6
Inventories.................... 6
Net Working Capital.......... 7
Investments.................... 7
Plant and Equipment.......... 8

Highlights of Operating Groups

Defense Products............. 9
Apparatus.....................11
Industrial Products and Lamp...13
Appliance and Electronics......16
Associated, Affiliated & Foreign Companies..........19

Services Highlights...........20–21

Special Notes for Share Owners..22

Organization Changes...........22

Directors and Officers............23

Statistics—Employee Benefit Plans.............24–25

Financial Statements

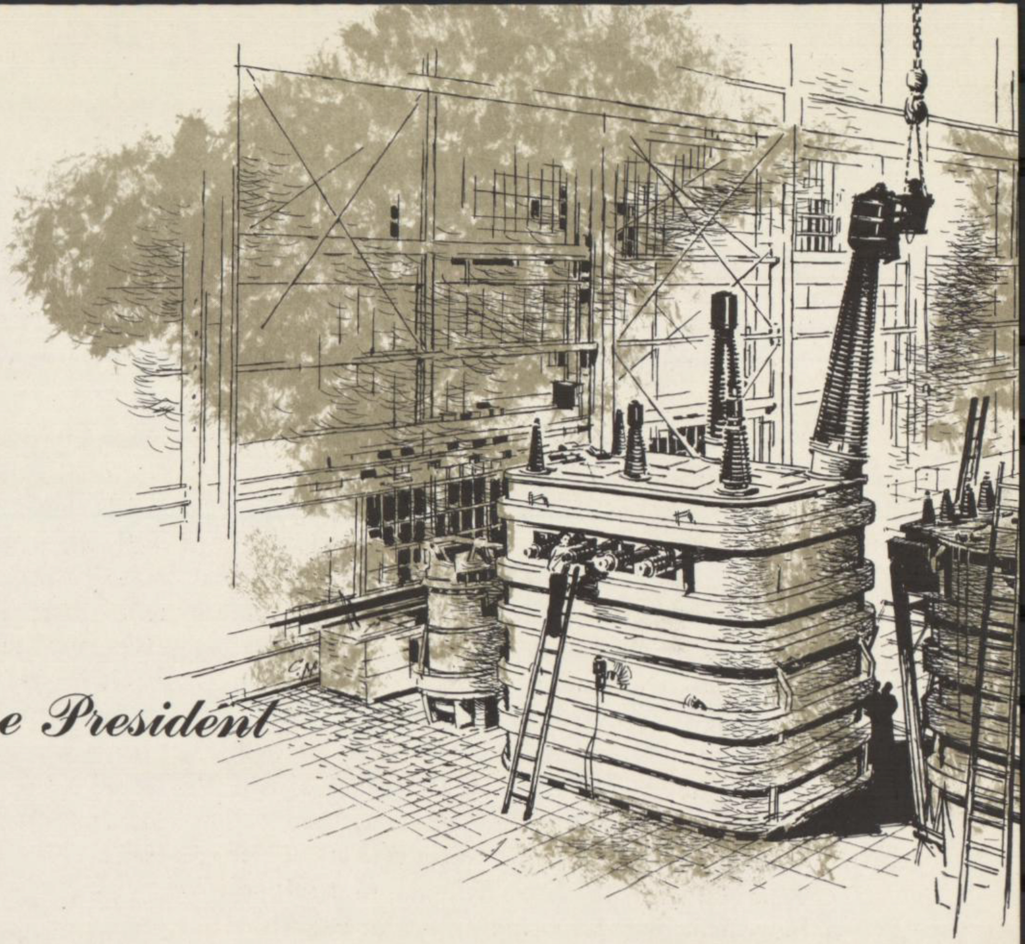
Earnings and Dividends........26
Consolidated Financial Statements......27–30
Accountants' Report...........31

Operating and Other Statistics....32

The Year in Brief 1952

		YEAR 1952	YEAR 1951	PER CENT CHANGE
SALES	Sales of products and services to customers	$2,623,888,000	$2,319,348,000	13.1
	Weighted average prices of products (1940 = 100)	154	154	—
TAXES	Provision for federal taxes on income and for renegotiation	$ 264,000,000	$ 277,500,000	*−4.9*
	Per dollar of sales	10.1 cents	12.0 cents	
	Per share of common stock issued	$9.15	$9.62	
	Provision for *all* federal, state and local taxes	$ 359,979,000	$ 402,609,000	*−10.6*
	Per dollar of sales	13.7 cents	17.4 cents	
	Per share of common stock issued	$12.48	$13.96	
EARNINGS	Net earnings	$ 151,720,000	$ 138,117,000	9.8
	Per dollar of sales	5.8 cents	6.0 cents	
	Per share of common stock issued	$5.26	$4.79	
DIVIDENDS	Dividends declared	$ 85,882,000	$ 85,916,000	—
	Per share of common stock	$3.00	$3.00	
	As a percentage of net earnings	56.6%	62.2%	
CAPITAL	Capital invested—December 31	$ 872,882,000	$ 788,360,000	10.7
	Per share of common stock issued	$30.26	$27.33	
	Rate of return earned on capital invested	17.4%	17.5%	
WORKING CAPITAL	Working capital—December 31	$ 398,703,000	$ 352,490,000	13.1
	Ratio of current assets to current liabilities	1.69 times	1.65 times	
PLANT & EQUIPMENT	Expenditures for plant and equipment	$ 123,082,000	$ 102,164,000	20.5
	Depreciation of plant and equipment	$ 59,734,000	$ 56,519,000	5.7
	Depreciation as a percentage of sales	2.3%	2.4%	
SHARE OWNERS	Average number of share owners of record (see page 22)	252,837	252,993	*−0.1*
	Shares of common stock issued—December 31	28,845,927	28,845,927	
EMPLOYEES	Average number of employees*	216,800	210,200	3.1
	Total earnings of employees for the year*	$ 949,194,000	$ 883,737,000	7.4

*** Included here are the number of, and amounts earned by, employees working on Nucleonics projects operated under a contract with the Atomic Energy Commission. This contract provides that the Company shall recover all costs incurred plus a fee of $1.00. Accordingly, no costs applicable to Nucleonics projects are reflected in the Consolidated Statement of Earnings shown on page 27.**



Letter from the President

Schenectady, N. Y., *March 9, 1953*

To the Share Owners:

The broad pattern of General Electric's business in 1952 repeats that of the preceding year: sales and production continued to rise to unprecedented levels, but earnings were held down by continued high tax rates. However, while lower than the record year of 1950, your Company's earnings did advance over those of 1951, rising from $4.79 a share of stock to $5.26 a share.

The Company's 1952 earnings represent a creditable accomplishment in view of total taxes having taken $12.48 per share and in view of the other challenges to profitable production during the year.

One major challenge was a protracted strike in the steel industry during the summer months. For General Electric this could have been considerably more crippling than it proved to be. By quickly setting up interdepartmental clearing houses and systems for shifting stocks of steel to points where they would do the most good, and by generally exercising great resourcefulness and ingenuity, the managers of your Company's operating businesses were able to minimize shutdowns and production losses.

Another challenge was accepted early in the year by those responsible for the Company's operations in the appliance and electronics fields. Consumers made what amounted to mass decisions to postpone purchases of home appliances. The consequence was an industry-wide slump. Your operating managers, however, held to their belief that this must prove to be a temporary condition and thus were able generally to limit adjustments in pricing and production, with the result that the Company was in a favorable position to benefit from the eventual recovery in these businesses. By the year's end the volume of retail sales of our consumer products had made up most of the ground lost during the slow period and was only a few percentage points behind the volume for 1951.

During 1952 there was a continued healthy growth of our heavy goods business. America's electric utility companies have shown no tendency to slacken the tremendous rate of expansion of facilities that they have been maintaining over the past years. Throughout 1952 your Company's apparatus people worked generally against a backlog of orders and in spite of steel shortages achieved new record levels of production.

The very nature of modern military needs makes it inevitable that an organization with the skill, experience and facilities that are brought together within General Electric will be heavily involved in the nation's defense program. Your management has sought to devote the Company's outstanding human and material resources to those more difficult tasks which many other organizations could not undertake. In the past year our volume of defense production has shown a sharp increase. Most of this increase is attributable to the fact that the Company reached volume production of jet engines during the year. This is in itself an achievement worth noting, since it is only a little more than two years since your Board of Directors appropriated funds for a major jet engine plant and thus set in motion the tremendous task of tooling and equipping the Evendale, Ohio, facilities and of hiring and training a work force that now numbers more than 11,000. We have, moreover, strengthened our defense contributions by integrating the major defense products components, including our atomic projects, into one organizational unit. During 1952 our defense production, including normal commercial products sold to the armed services, was approximately 30 per cent of our gross dollar sales.

Again in 1952 the amounts spent on new plants and equipment exceeded those distributed as dividends. In the seven post-World War II years, a total of $650,000,000 has been invested in plant modernization and expansion, and projected expenditures in the next three years will bring this to a total of more than one billion dollars. To understand fully why this course has been advisable, it is necessary to keep in mind what lies ahead for the electrical industry. Based on the best estimates of the growth of the economy as a whole, it is probable that in the next ten years as much electrical generating equipment will be built, sold and installed as has been built and installed in the industry's past 75-year history. With the single exception of the chemical industry, in which your Company also has a substantial interest, your management anticipates that no other industry has the growth potential in the next decade that is true of the electrical industry.

Leading economists agree that the Gross National Product, that is, the total amount of goods and services produced in the United States, will rise from $341 billion in 1952 to approximately $400 billion in 1961. But the electrical content of the Gross National Product is increasing even more rapidly. In terms of 1940 prices, the electrical manufacturing industry supplied only 1.7 per cent of the total in 1935. Today it supplies 4 per cent. By 1961 it will supply an estimated 5.5 to 6 per cent. In fact, the electrical industry must be prepared to grow more than twice as fast as the remainder of the economy.

In the 1951 Annual Report some space was devoted to indicate the kind of organization structure General Electric has been putting in place in order to be prepared to handle this future growth of the industry. The diversified lines of business of the Company have been brought together in four principal operating groups in the domestic field: Apparatus, Industrial Products and Lamp, Appliance and Electronics, and Defense. Thus, the Company's domestic business has been divided into four groups generally comparable in volume and each organized to handle related problems of manufacturing and marketing. A fifth group comprises operations of affiliated and foreign companies. The 1952 Annual Report has the objective of giving share owners a detailed report as to the diversity of your Company's products and businesses. Particular emphasis has been placed on research and development leading to new products.

Respectfully submitted for the Board of Directors.

Ralph J. Cordiner

PRESIDENT

Financial Review

SUMMARY OF OPERATING RESULTS

Formal statements of 1952 earnings and financial condition at year's end are on pages 27 through 30.

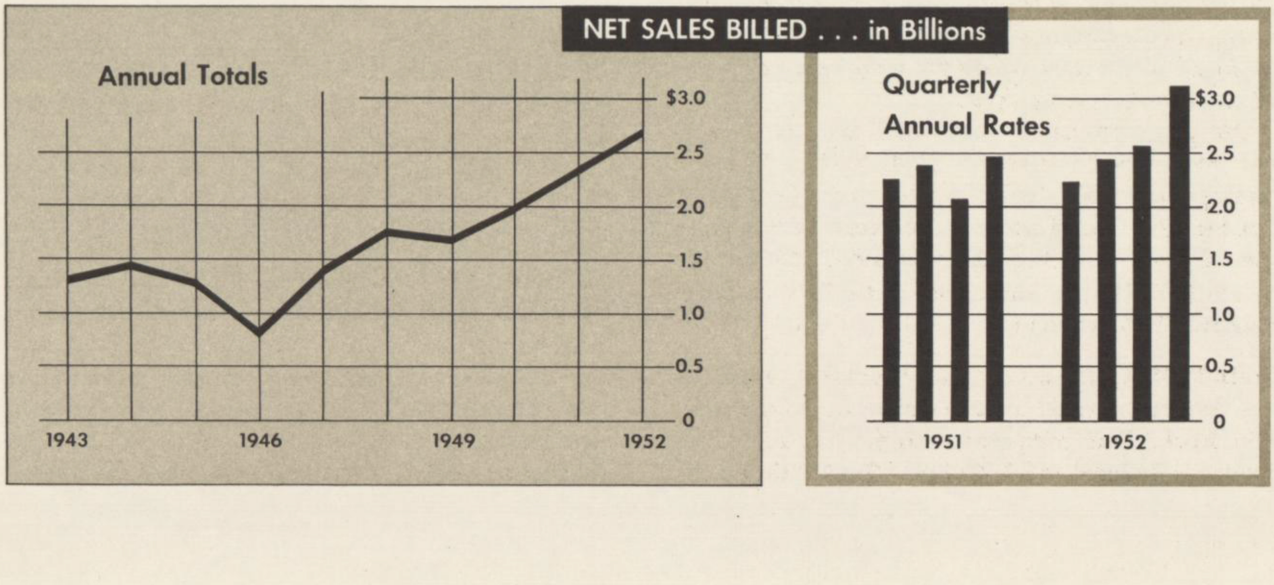
	(AMOUNTS IN THOUSANDS)		
	1952	1951	INCREASE
Revenue was received from the following sources:			
Sales of products and services to customers	$2,623,888	$2,319,348	$ 304,540
Dividends and interest on investments, etc.	28,559	21,926	6,633
Total revenue	2,652,447	2,341,274	311,173
From which payment or provision was made for:			
Employee compensation applicable to the above sales	885,044	781,655	103,389
Pensions, social security and other employee benefits	89,995	88,845	1,150
Depreciation of plant and equipment	59,734	56,519	3,215
Federal taxes on income, and renegotiation	264,000	277,500	*13,500*
Interest and other financial charges	235	20	215
Materials, parts, supplies, etc., purchased, and all other costs, expenses or charges	1,201,719	998,618	203,101
Total cost of operating the business	2,500,727	2,203,157	297,570
Leaving net earnings for the year of	$ 151,720	$ 138,117	$ 13,603

SALES AND PRODUCTION: General Electric's 1952 sales total of $2,623,888,000 was the highest in your Company's history, exceeding by 13.1% the record of $2,319,348,000 established in 1951. This increase was achieved without the inflationary effect of higher prices, for on a weighted average basis, the selling prices of all General Electric products in 1952 were at the same level as they were in 1951.

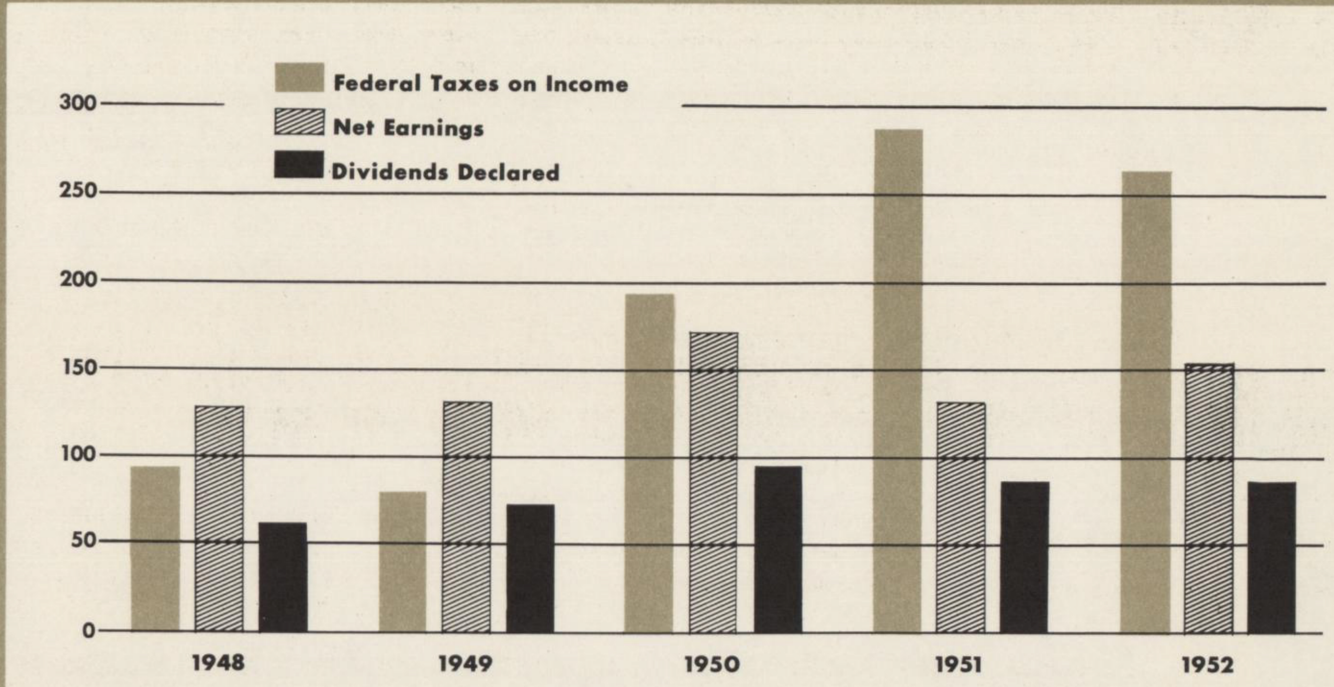
The important factors in the increase were the accelerated production of equipment for defense purposes and the steady rise in production of heavy apparatus throughout the year, together with the strong recovery of the consumer-goods and component-parts businesses during the last half of the year.

The fact that the Company's 1952 selling prices maintained their 1951 levels in the face of price softening in some areas of the electrical industry reflects your management's belief that in many instances firmer pricing is essential to the realization of reasonable profit margins. While General Electric prices were only 54% higher than they were in 1940, the average prices paid to suppliers were more than double those of 1940, and 1952 wages were more than 2¼ times the rates paid by the Company in 1940.

NET SALES BILLED . . . in Billions



TAXES, EARNINGS AND DIVIDENDS



Dollars in Millions	🟫 93.7	🟫 78.0	🟫 197.0	🟫 277.5	🟫 264.0
	▨ 123.8	▨ 125.6	▨ 173.4	▨ 138.1	▨ 151.7
	■ 51.4	■ 71.0	■ 97.1	■ 85.9	■ 85.9

EARNINGS AND TAXES: After careful consideration of a share owner's suggestion this past year, your management dropped the term "pre-tax earnings" from its financial vocabulary. As President Cordiner said in his January 25 message to share owners, taxes must be considered one of the costs of doing business. The term "pre-tax earnings" has no more meaning, in reality, than to talk about "pre-materials-cost earnings"—and was, moreover, subject to misuse in contexts where the term "net earnings" should have been employed.

The year's provisions for federal taxes on income and renegotiation claimed $264,000,000. The net earnings were $151,720,000. Although the Company's bill for 1952 federal income and excess profits taxes was slightly less than that for 1951, this burden equalled $9.15 per share while the net earnings equalled $5.26 per share.

DIVIDENDS: Of the net earnings realized in 1952, 57% was declared payable as cash dividends on the common stock. This compared with 62% in 1951. The dividends declared in 1952 totaled $3.00 a share, the same as in 1951. Four dividend payments of 75 cents a share each were made on January 25, April 25, July 25, and October 25, or a total of $3.00 a share in 1952, compared with $2.85 a share paid in 1951.

FINANCIAL CONDITION of the Company as of December 31, 1952, is shown by the Consolidated Balance Sheet on pages 28 and 29, to which the following paragraphs relate.

CASH AND MARKETABLE SECURITIES together totaled $351,005,000 at December 31, 1952, or $136,347,000 more than the corresponding total a year earlier. The improvement in the cash position was largely attributable to the increase in progress collections on contracts with customers.

INVENTORIES: While your Company's sales volume was rising 13% in 1952, the volume of inventories of raw materials, partially completed products and finished goods in warehouses or on consignments rose only about 9%—a measure of the tightened control kept on inventories during the year. After verification and valuation as described in Note 7 on page 30, these inventories were carried at $622,988,000 on December 31, 1952, compared with $571,355,000 at the close of 1951. The net inventory value was equivalent to 23.7% of 1952 sales, which compares with 24.6% in 1951 and an average of 22% in the 15 years ended with 1950.

NET WORKING CAPITAL, represented by the excess of total current assets over total current liabilities, amounted to $398,703,000 as of December 31, 1952, compared with $352,490,000 at the close of 1951. Principal items accounting for the change in the working capital position are as follows:

NET WORKING CAPITAL

Net working capital at January 1, 1952	$352,490,000	
Additions:		
Net earnings for the year	151,720,000	
Depreciation of plant and equipment	59,734,000	
Repayment of advances by General Electric Credit Corporation	37,200,000	
All other—net	6,523,000	
		$607,667,000
Deductions:		
Dividends on common stock	85,882,000	
Expenditures for plant and equipment	123,082,000	
		208,964,000
Net working capital at December 31, 1952		$398,703,000

INVESTMENTS: The major portion of your Company's investments consisted of its holdings of the capital stock of, and notes covering funds advanced to, its nonconsolidated affiliates. These are subsidiary companies a majority of whose voting stock General Electric owns but whose accounts are not included in detail in the consolidated financial statements. Notes 1, 5 and 8 on page 30 show the details of such investments. Information concerning the earnings, dividends and indebtedness of the principal companies involved is shown below:

Canadian General Electric Company, Ltd., which manufactures and sells General Electric products in Canada, earned $7,053,000 and declared dividends of $2,266,000 on its common stock in 1952, compared with $7,774,000 and $2,266,000 in 1951. All of these amounts are in Canadian dollars. General Electric owns 95.6% of the common stock and the dividends it received thereon in 1952 were recorded at $2,234,000, the amount realized in U.S. dollars.

General Electric Credit Corporation is a wholly owned affiliate which conducts a sales financing business to aid in the distribution and sale of General Electric products. The Corporation earned $3,224,000 and declared and paid dividends of $2,000,000 on its common stock in 1952 compared with $2,416,000 and $1,100,000, respectively, in 1951. As of December 31, 1952, the Corporation's borrowings totaled $124,809,000, of which $35,000,000 was obtained from the Company and $89,809,000 from outside sources.

In 1952, the name of the General Electric Supply Corporation, a wholly owned affiliate, was changed to the ***General Electric Distributing Corporation.*** The wholesale distribution business formerly conducted by the Supply Corporation continues to be operated in the name of General Electric Supply Company, a

Division of the Distributing Corporation. In 1952 also, assets of General Electric Appliances, Inc., a wholly owned affiliate which was merged during the year with the General Electric Company, were acquired by the Distributing Corporation from the Company, and an appliance distributing business similar to that formerly conducted by General Electric Appliances, Inc. is carried on by General Electric Appliances Co., a Division of the Distributing Corporation. The Distributing Corporation earned $8,492,000, and declared and paid dividends of $4,500,000 on its common stock in 1952. As of December 31, 1952 the Corporation's borrowings totaled $38,425,000, of which $2,425,000 was obtained from General Electric and $36,000,000 from outside sources.

Your Company's investment in ***General Electric common stock*** at the close of 1952 represented the cost of 159,335 shares which were held for corporate purposes. During the past year 145,025 shares were purchased, and 104,772 shares were disposed of as described in the following paragraphs:

Under the Incentive Compensation Plan (page 25) for the year 1951, 47,663 shares of the Company's common stock were delivered in lieu of cash payments, and 12,534 shares were contingently allotted, to participating employees—all at the market value of the stock when such allocations were authorized. 44,325 shares were set aside, based on the average market value of the stock at the end of each month, to provide the 1952 requirements under the Employees Savings and Stock Bonus Plan (page 24).

In addition, 250 shares of common stock were delivered as contributions for charitable and educational purposes.

PLANT AND EQUIPMENT: Productive facilities of General Electric and its domestic manufacturing affiliates (not including facilities operated for the Atomic Energy Commission) consisted at year's end of 131 plants containing 58,900,000 square feet of floor space. New plants, or major additions to existing plants, which have been authorized by your Board will add an additional 2,800,000 square feet of floor space. Many of these are described in the Highlights of Operating Groups on the following pages. The changes in plant and equipment accounts during the year are shown below.

Expenditures for plant and equipment totaled $123,082,000 during 1952 compared with $102,164,000 during 1951. Provisions for depreciation amounted to $59,734,000 compared with $56,519,000. As of December 31, 1952, certificates of necessity had been obtained on facilities costing $176,165,000. Approximately 68% of this amount, or $120,670,000, may at the option of the Company be amortized over a period of five years, the balance being subject to depreciation at normal rates.

PLANT AND EQUIPMENT

Cost of plant and equipment in use January 1, 1952	$751,784,000	
Cost of facilities added during year	123,082,000	
Deduct: Cost of facilities dismantled during year	*35,031,000*	
Cost of plant and equipment in use December 31, 1952		$839,835,000
Accumulated depreciation January 1, 1952	433,062,000	
Depreciation charged against income during year	59,734,000	
Deduct: Accumulated depreciation on facilities dismantled during year	*32,115,000*	
Accumulated depreciation December 31, 1952		460,681,000
Net book value of plant and equipment December 31, 1952		$379,154,000

Highlights of Operating Groups

DEFENSE PRODUCTS GROUP

Divisions: **Aeronautic and Ordnance Systems, Aircraft Gas Turbine, Nucleonic and Atomic Projects.**

Remote-control gun turret built by General Electric.

Air Force figures showing that U.S. Sabrejets were maintaining a 9 to 1 combat ratio over Russian-built MIGs in Korean skies reflected favorably on the work of General Electric people during 1952, for your Company builds the jet engines powering these planes. During the year, the new facilities of the Evendale Plant near Cincinnati came into increasingly effective production enabling General Electric to raise its output of jet engines 90% over the preceding year and to become the nation's largest producer.

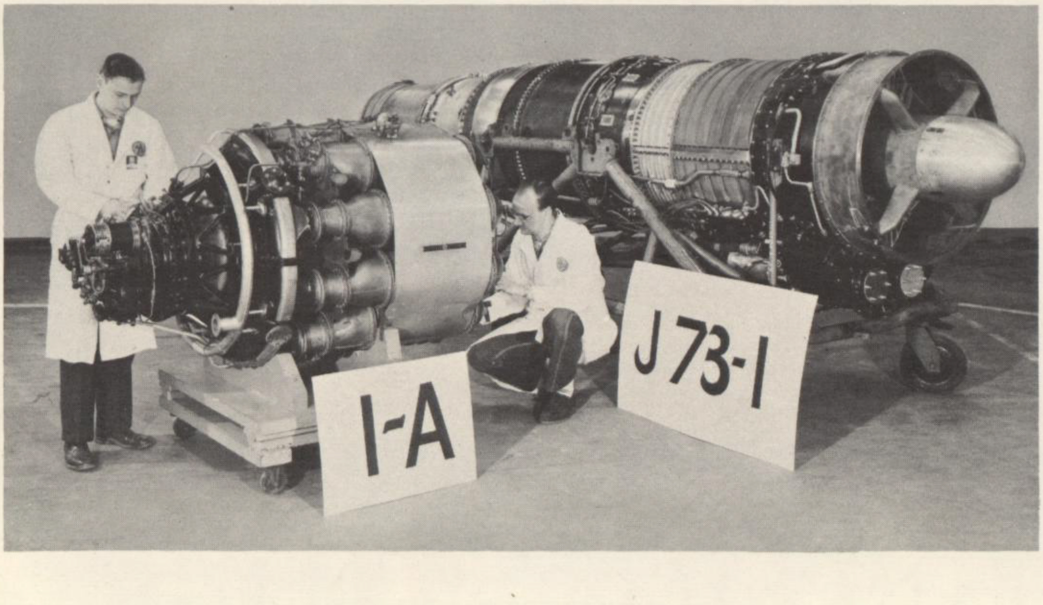
Thus literally jet-propelled, the dollar volume of business done by the Defense Products Group rose to a level almost double that for 1951. This was not the Company's full stake in defense production, since many other organizational units were contributing in varying amounts.

The North American F-86 Sabrejet was only one of a number of U.S. military planes powered by the General Electric J-47 engine. Others included: the Boeing B-47 Stratojet, the North American B-45 Tornado, the giant Convair B-36 bomber (6 piston engines, 4 jets), the experimental Martin XB-51 and Republic XF-91, and the North American Navy FJ-2 Fury and F-86D interceptor.

To supply engines for these planes, the Company operated two manufacturing plants and utilized a subcontracting and supplier network comprising more than 4000 firms, operated two flight test centers, and maintained a world-wide service engineering organization. In addition, two major auto makers started mass-producing J-47's to General Electric designs.

NEW ENGINES: In 1952, development continued on a new, higher-powered engine, the J-73. Although this new engine has the same frame size as the older models, it develops much greater thrust at higher efficiency. It is the most powerful General Electric jet engine ordered by the Air Force on a production basis. As an aid to development, the Company has a contract, providing for the exchange of technical information, with one of the leading British engine companies.

NEW SPEED RECORDS: The Company's jet engines provided power for several record-breaking flights. A Republic XF-91, equipped both with a General Elec-



10 years of progress in jet development at General Electric. The 1-A was the engine built in 1942 for the first American jet plane. Engines built by the Company today are 8 times more powerful.

Model of sphere in which the Company will construct a prototype atomic power plant for a U.S. Navy submarine.

tric turbojet and a rocket engine, made the first faster-than-sound flight by an American fighter plane completely equipped for combat. Earlier a North American F-86D had set a new official speed record of 699.9 miles per hour.

AIRCRAFT ARMAMENT SYSTEMS: To meet an accelerated schedule, General Electric produced armament systems for B-47 Stratojets ahead of schedule. Deliveries of the complex systems for controlling the bomber's guns began September 1, only 14 months after the production contract was accepted.

AUTOMATIC PILOTS: Push-button control of high-speed jet interceptors was brought a step nearer with the development of a new automatic pilot which relieves fliers of 90 per cent of their "stick and rudder" work. It was developed for the Navy by General Electric engineers with the co-operation of the Navy's Bureau of Aeronautics. Other applications are being considered.

JET HELICOPTER: Two modified turbojets were provided during 1952 to power the cargo-carrying XH-17, world's largest helicopter, built by Howard Hughes Aircraft Company for the Air Force. The Company's General Engineering Laboratory helped on the development work and designed the ship's blade tips, which house jet burners.

ATOMIC PROJECTS: The Company's varied responsibilities in relation to the nation's atomic program were described in detail in the January 1953 Share Owners' Quarterly. During 1952, the Hanford Works, plutonium-producing plant at Richland, Washington, operated by General Electric for the Atomic Energy Commission, was selected as one of the installations to be further expanded by the A.E.C. over a three-year period. Over $400 million has been authorized by Congress for expansion of production facilities.

Work on a nuclear power plant for a U.S. Navy submarine was reported "well along" at year's end. The Company's responsibility was to develop a reactor utilizing neutrons of intermediate energy, while another company developed a reactor operating with neutrons of relatively low, or "thermal" energies. The Company's design was so far advanced that construction of a land-based prototype was authorized by the A.E.C. and work on a steel sphere to house the reactor during tests was partially completed at West Milton, N. Y.

Development of a nuclear-powered aircraft engine was also continued "satisfactorily" during 1952. The engine is being designed for the airframe now in development at Consolidated Vultee.

LOOKING AHEAD: Your Company's heavy engagement in defense work promises substantial future business both in the continuation of its present assignments and in possible outgrowths from them. Limiting discussion to the former, the Company expects its defense business to attain a new peak in 1953 and to remain at a high level for several years to come.

A promising addition to this business arises from General Electric developments in aircraft accessory equipment. During 1952 further emphasis was placed on the development, manufacture and marketing of such accessories as gas turbine starters, reheat fuel pumps, turbosuperchargers, and small airborne gas turbines capable of starting jet engines without the aid of ground power units.

Electronic controls developed for military use are expected to find applications as industry continues to mechanize its production facilities.

Most widely discussed of possible outgrowths from the Company's defense assignments is that of applying jet propulsion to commercial aviation. In its long-range planning, your Company expects to be a factor in this field. Two General Electric jet engines have been certified for commercial use and it was also revealed during 1952 that development work is being done on an electrical power system for jet transports.

APPARATUS GROUP

Divisions: **Apparatus Sales, Motor and Generator, Switchgear and Control, Transformer and Allied Products, Turbine.**
Departments: **Locomotive and Car Equipment, X-Ray.**

Between 1951 and 1961, it is estimated, the nation's electric power generating capacity will be more than doubled, advancing from 76 million kilowatts in 1951 to 159 million in 1961. Figures like these explain why the Divisions making up this Group, principally interested in heavy apparatus for the generation, distribution and utilization of electric power, were producing throughout 1952 at practically full capacity, except where hindered by the steel shortage.

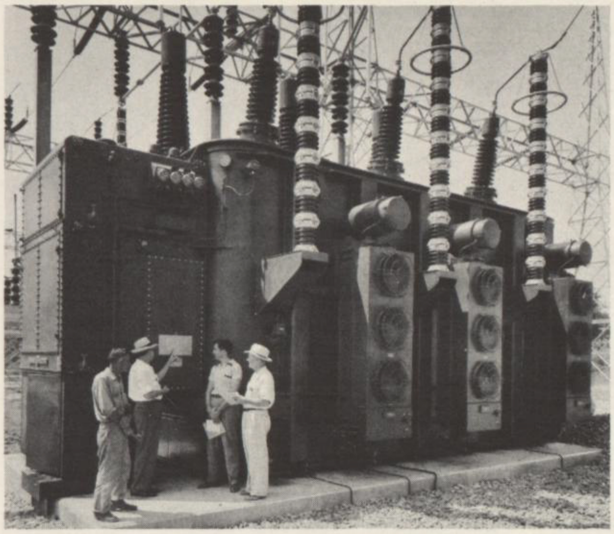
Every Division in the Group was utilizing or planning added floor space and new production facilities. Most important of the expansion plans are those for a new $25 million transformer plant at Rome, Ga. The new plant will build standardized units in the smaller power transformer sizes, thereby releasing space at the Pittsfield, Mass., plant for the increased output of very large transformers. In June, the Company dedicated the largest and most complete laboratory in the world devoted to investigations relating exclusively to the design of power switchgear. The Laboratory is in Philadelphia. An addition to the Turbine Building in Schenectady provided 100,000 additional square feet of floor space and enabled turbine production to rise to record levels. During the year also the Company's business in capacitors was set up as a separate, decentralized business in a newly acquired plant at Hudson Falls, N. Y.

MOTOR AND GENERATOR: Your Company is the foremost supplier of the electric motors and generators required by industry. Some of these units are as large as a house and provide the power for steel mills, lumber mills, mines and factories. During 1952 the Company's business in this field rose 17% over 1951.

Included in the year's record production were units that can roll strip steel at 80 miles per hour. Almost 300,000 kilowatts of generating capacity was shipped to the aluminum industry. The redesigned motors for driving boiler feed pumps in steam generating stations were meeting with wide acceptance. Developments under way included submersible motors for the Navy and liquid pump motors for the AEC.

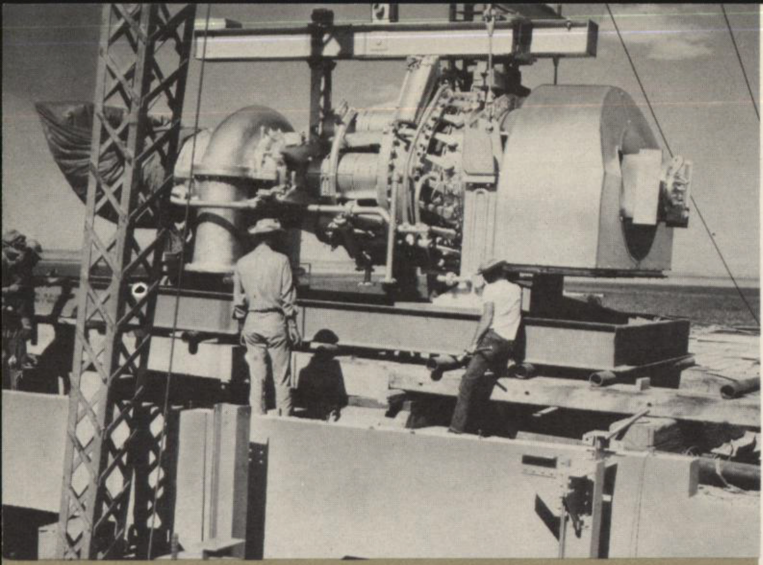
SWITCHGEAR AND CONTROL: Increasing consumption of electricity brings with it a need for equipment permitting transmission lines to handle

Cond-Al, new alloy developed for General Electric turbine-generators, permits manufacture of units 35% larger and more powerful than those now in use.

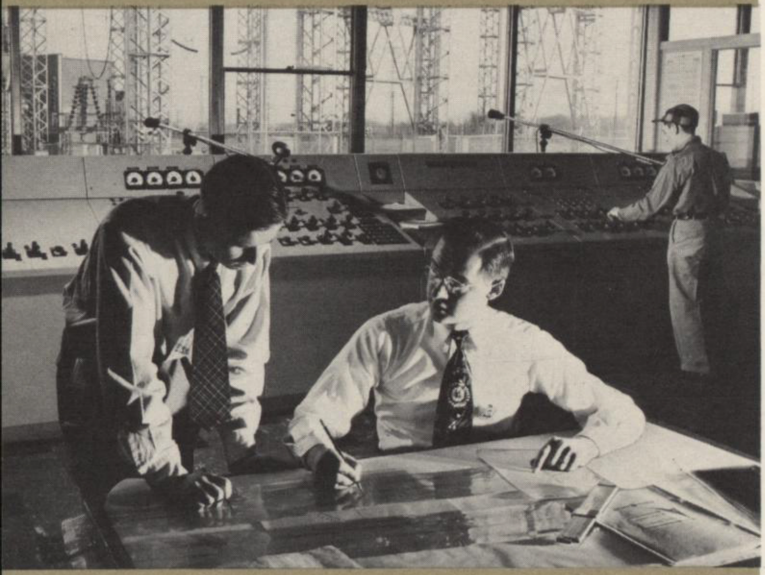


Huge autotransformer, believed to be the largest of its kind, helps supply power for an atomic energy project.

Order for 15 new gas-turbine locomotives indicated that this General Electric innovation is gaining acceptance.



A new field was opened up for gas turbines in 1952: providing power for natural gas pipeline pumping. 28 of these will be installed in one Western pipeline.



New Switchgear Development Laboratory gives General Electric engineers world's best equipment for developing and testing new designs for switchgear.

Probing pygmy is what they call this new, compact portable x-ray unit for industrial testing. It is 56% smaller than conventional units of equal voltage.

increasingly higher voltages. General Electric, which pioneered in high-voltage transmission two decades ago, continued in 1952 to introduce new "firsts" in high-voltage apparatus. Specifically, orders were booked for the first 330,000-volt circuit breakers for the first 330,000-volt transmission lines in the U.S. The breakers, the largest ever built in this country, will protect the lines by opening short circuits in less than one-twentieth of a second.

TRANSFORMERS: Electric power generating capacity in the U.S. increased about 8 million kilowatts in 1952, or more than 10% above that for 1951. A large share of the huge transformers required to step up the voltage of this power for long distance transmission and then step it down for local distribution was built for utilities by General Electric.

As the utilities go to higher voltages, one of the problems is that of building apparatus big enough to do the job, yet compact enough to be shipped by rail. How well this problem is being met is indicated by the fact that each of two transformers ordered in 1952 will have three times the capacity of the largest units that could be shipped just ten years ago. This has been made possible by improvements in silicon steel and advances in the technique of insulation as a result of work in the High Voltage Laboratory in Pittsfield, Mass.

An artificial lightning test became standard procedure in the assembly of distribution transformers. To insure customers of better, longer-lasting transformers, each unit must withstand the sort of shock it might receive in an electrical storm. Redesigning these transformers to utilize better core steel saved enough copper to build seven transformers with materials previously required for six.

TURBINES: Another new record for shipments of large turbine-generator units was established in 1952. The rating of units produced was 4,800,000 kilowatts, as compared to 3,700,000 kilowatts in 1951. The 62 units shipped will provide additional electric power for communities ranging from Wiscasset, Maine, to San Francisco, and including such major cities as New York, Chicago, Detroit and Baltimore.

A notable 1952 development was that of a new alloy, called Cond-Al, whose light weight will permit larger and more powerful turbines to be built and transported. Rotors made with the material are 35% larger than any of their type now in existence.

GAS TURBINES: This newest of prime-movers, whose development in America has been spearheaded by General Electric, continued to find important new applications in 1952. In the first full year of scheduled quantity production, the Company shipped a total of 24 gas turbines, compared to 7 the previous year. This will make a total of 36 gas turbines for power generation, locomotive drive, and natural gas pipeline pumping which have been manufactured since the first 4800-hp unit for a gas turbine electric locomotive was announced in 1947. The 75,000 hours of operating experience accumulated by the Company is far ahead of the experience of any other concern.

TURBOSUPERCHARGERS, which have been boosting the power of aircraft engines for many years, were applied to a new line of diesel engines for Navy minesweepers. The units will permit horsepower increases up to 100% without increasing engine size.

LOCOMOTIVE AND CAR EQUIPMENT: About 200 General Electric electric locomotives and 700 sets of electrical apparatus for use in diesel-electrics built by American Locomotive Company were produced for use in America during 1952. In addition, your Company shipped 100 units to railroads in South America, Europe, Africa, and Asia. The Company's business in this field has increased five-fold in the last 10 years.

General Electric's pioneering in the development of the gas-turbine electric locomotive for American railroads was given added impetus in 1952 when the Union Pacific railroad ordered 15 additional units. The U.P. already has six units of an earlier design in regular freight service, with four more to be shipped in 1953.

X-RAY: The X-Ray Department, which produces equipment both for industrial and medical use, made a radical departure in the design and concept of diagnostic x-ray equipment in 1952. In place of the traditional double-pivot mounting of x-ray tables, a new unit, named the Imperial, mounts the table on an 8-foot geared ring. This arrangement not only permits greater maneuverability of the equipment, but saves 864 cubic feet of space in the average hospital room, thus assisting in reducing construction costs. Radiation experts termed the unit "10 years ahead of the field."

X-ray inspection equipment found increasing use in the defense program. Applications included the high-speed inspection of hand-grenade fuses, inspection of rockets and the gaging of the uniform thickness of propeller blades.

INDUSTRIAL PRODUCTS AND LAMP GROUP

Divisions: **Chemical, Component Products, Construction Materials, Measurements and Industrial Products, Industrial Power Components, Lamp.**
Departments: **Carboloy, Monowatt.**

Component materials and products supplied to industry by the Divisions of this Group range from chemicals and special metals to electric motors, instruments and wiring materials. The Group also includes the Company's lighting businesses in the industrial, consumer and street lighting fields.

General Electric Monotop, one-piece molded plastic kitchen counter work surface, was marketed in 1952.

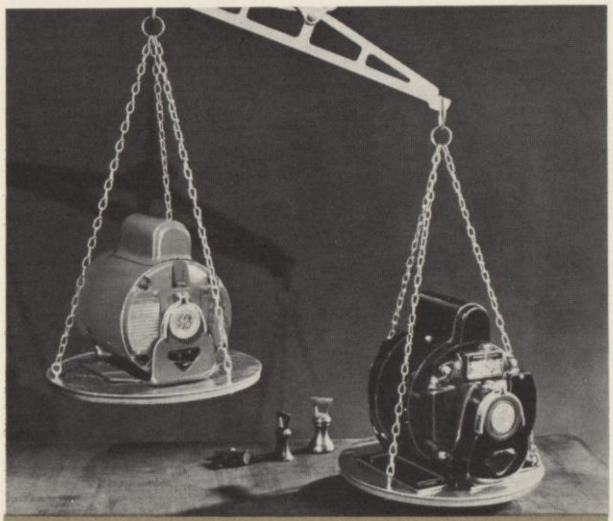
CHEMICAL: Organized originally to place in one decentralized operation the Company's businesses resulting from research on electrical insulating and plastics materials, the Chemical Division continued in 1952 to increase its business in selected areas of the chemical industry. Eighteen wholly new phenolic, laminated plastics and silicone products were introduced. Several new markets were opened with the development of chemical materials for the textile, foundry and food packaging fields.

A striking new product announced in 1952 was mica mat, a form of mica insulation produced in a continuous, paper-like sheet. It is expected to make the United States independent of foreign sources of mica supply.

Capacity for production of silicone rubber, fluids and resins was considerably increased with completion of a $5 million expansion program at Waterford, N. Y.

New silicone products include a water repellent for masonry and a related material for textiles.

COMPONENT PRODUCTS: As its name implies, this Division manufactures a variety of component parts, ranging from tiny switchettes to specialty transformers and ballasts, including the whole line of fractional horsepower motors manufactured by General Electric.



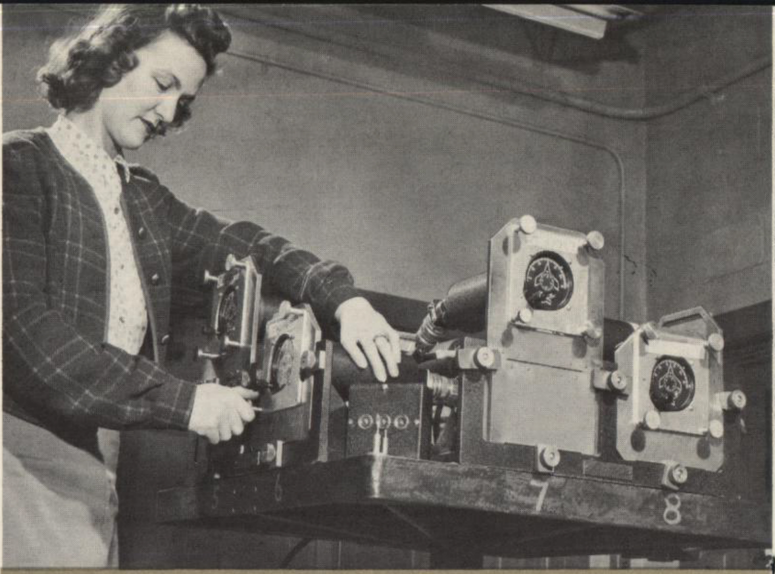
New design in fractional horsepower motors is 25 to 50% lighter and up to 40% smaller than previous motors of similar power ratings.

The Division announced a new line of motors, called the Form G, smaller in size and weighing about half as much as earlier models, yet packing the same power. Anticipating a demand for small motors that may, by 1960, grow to double that of 1950, the Division charged its engineers at the end of World War II to design an entirely new motor, scrapping existing theories. The Form G is the result. Industry acceptance has justified building a new, highly mechanized factory at Linton, Ind., in addition to re-tooling facilities at Fort Wayne and Decatur, Ind.

During 1952 the Company's business in supplying control systems for appliances and domestic heating equipment was integrated in a new plant at Morrison, Ill. Present product lines, coupled with new products now in development, will establish this department as a complete supplier of these controls.

CONSTRUCTION MATERIALS: Much of the Company's growth in the construction materials field in 1952 was based on the Division's developments in wiring systems that offer advantages in greater convenience, easier installation and savings in cost.

An example is the upward swing in the use of varnish-cambric-insulated interlocked armor cable since the introduction of new equipment that facilitates its installation in both the new building and modernization fields. Another example is the remote-control wiring system which uses low-voltage relays and light-weight wiring for all switch controls, eliminating a great deal of the heavier wiring necessary for standard 125-volt power. This more flexible and safer system continued to gain wide acceptance, particularly in the merchant builder field.



Aircraft instruments designed for military planes include these compass-controlled directional gyros, used to indicate direction of flight.

Demand for rigid conduit continues too great for existing facilities at New Kensington, Pa., making a complete remodernization of the plant necessary.

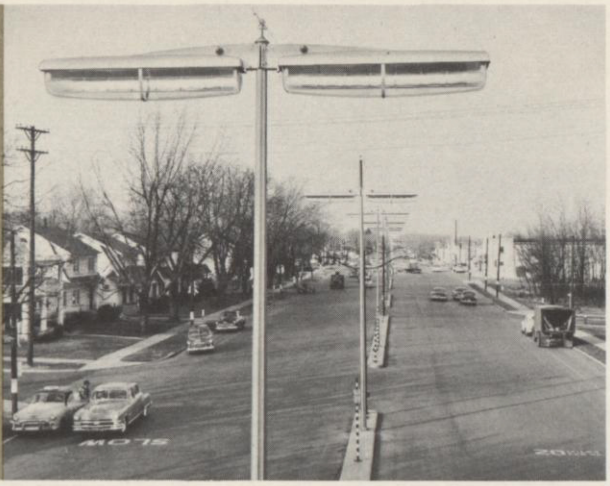
MEASUREMENTS: With long experience in developing instruments for measuring electrical quantities, General Electric now finds itself solidly established in the business of developing instruments for measuring such non-electrical quantities as light, temperature, direction and nuclear radiation. In 1952 these latter instruments accounted for half the output of the Company's measurement products business, compared with less than one-tenth in 1940.

Production of aircraft instruments was 25 times that of five years ago. Included were instruments to measure speed, fuel consumption, the temperature of jet-engine exhaust, and the direction of flight as required for navigating high-speed aircraft. At the Navy's request the Division expanded manufacturing facilities for the electrically driven gyroscopes pioneered by the Company during World War II.

Persons living near atomic facilities will be safeguarded from harmful radiations by the Area Health Monitor, one of a number of radiation instruments which the Division has developed. Work was started on the initial installation. The monitor indicates and records both the rate of radiation exposure and the accumulated total radiation, and sounds an alarm if a harmful level is reached.

ELECTRIC FURNACES for industrial processes were supplied during 1952 to defense plants producing tanks, jet engines, steel cartridge cases and other defense equipment, as well as for commercial uses.

WELDING: Output of General Electric welding products reached a new high in 1952. The Department took particular pride in the use of its equipment in the record-breaking construction of facilities at the huge Thule Air Base in northern Greenland.



A new era of street lighting began in Oakwood, O., with the installation of new, virtually glare-free six-foot fluorescents developed by General Electric.

LAMPS: 1952 saw a milestone passed in the history of electric lighting. The fluorescent lamp caught up with and passed the incandescent lamp bulb in the amount of light produced for general lighting purposes. Largely as a result of the growth of fluorescent lighting, Americans were using 3½ times more light in 1952 than they were 10 years earlier.

The Division continued throughout 1952 its home "light conditioning" program, which provides "recipes" for proper use of lighting. Builders began featuring light conditioning as a selling feature and opened light-conditioned demonstration homes. Equipment manufacturers produced new and improved fixtures and portable lamps to fill recipe requirements.

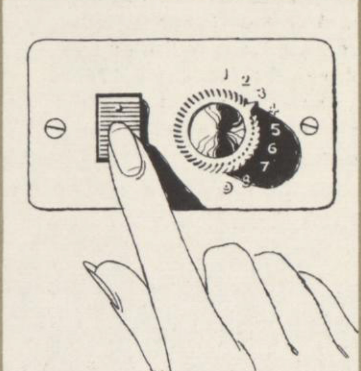
The year's two major fluorescent developments: introduction of a "Rapid Start" lamp which comes on quickly without the need of an external starter; and development of a circuit by means of which fluorescents may be dimmed smoothly and efficiently.

In the incandescent field, a method was devised to mechanize manufacture of a tiny instrument-illuminating lamp required by the Air Force. Savings of $10 to $25 per plane were thus effected.

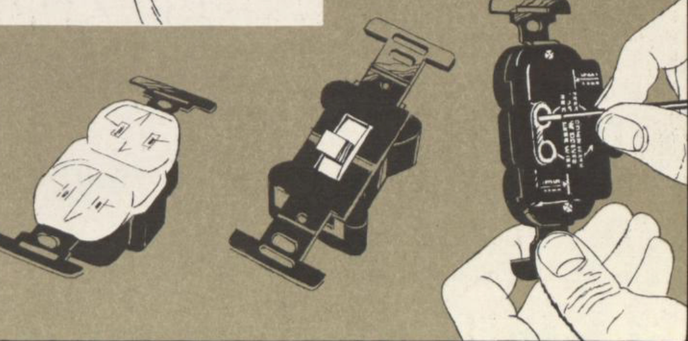
INDUSTRIAL POWER COMPONENTS Division was organized in 1952. It will integrate the Company's interests in the increasingly important area of industrial mechanization and automation. The new Division includes the Trumbull Electric Department—producer of a broad line of electrical distribution equipment—as well as responsibilities in the small integral motor and general purpose control fields.

CARBOLOY: This Department manufactures the hardest, heaviest and most highly magnetic metals that are made by man. Each of these superlatives in metals was leading to new business in 1952. The hardest, tungsten carbide, was used in anti-tank shells, in the metalworking industry, in coal mining and oil drilling. The heaviest, hevimet, 50% heavier than lead, was finding use in atomic energy shielding applications. The most highly magnetic, alnico permanent magnets, was used in many applications in electronic equipment, machinery and magnetic door catchers. A new dual plant adding capacity for the production of both tungsten carbide and magnet materials was constructed at Edmore, Michigan.

MONOWATT: The Monowatt Department was busy broadening its original line of business—low-cost wiring materials such as extension cords, plugs and outlets. Among its new lines of business: electrical wiring components supplied to lamp and appliance manufacturers; a new line of switches, outlets and lampholders (see drawing below); and electrical wiring assemblies for aircraft, jeeps, and other military vehicles.



New ideas in construction: Mass selector switch for General Electric remote-control wiring system provides control of nine different circuits from one location.



No screws are needed in wiring new Monowatt line of devices. Push wire in terminal hole and it locks in place.

APPLIANCE AND ELECTRONICS GROUP

Divisions: **Air Conditioning, Electronics, Hotpoint Co., Major Appliance, Small Appliance.** *Department:* **Telechron.**

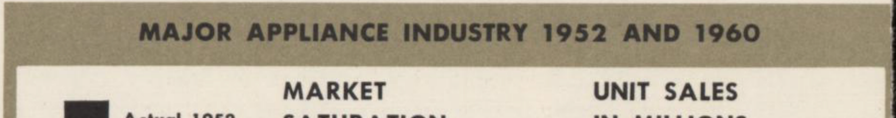
1952 sales at the retail level for this Group, concentrating in the home appliance market and in the radio and television fields, were only a few percentage points behind those for 1951. This was the result of record levels of sales during the last half of the year, offsetting a slump in demand during the early months.

The year was one of great expansion of plant and facilities for the Group. Most costly and important of these new facilities—and the greatest single expansion project in the Company's history—is the building of Appliance Park at Louisville, Ky. Completion of this project will enable all the operations of the Major Appliance Division to be concentrated in five huge new manufacturing buildings, incorporating the finest equipment and the most advanced production methods. Two of these buildings were completed in 1952, a third was under construction, and foundations for the fourth were under way.

Other Divisions were likewise expanding facilities to meet increasing demands. Thus Small Appliances tripled its capacity for producing automatic blankets with a new plant at Asheboro, N. C. For the production of refrigerators, Hotpoint began re-tooling a plant formerly used in manufacturing jet engine components. Electronics added new plants at Anniston, Ala., and Utica, N. Y., began conversion of the former dishwasher plant at Scranton, Pa., and tripled the size of its Electronics Laboratory.

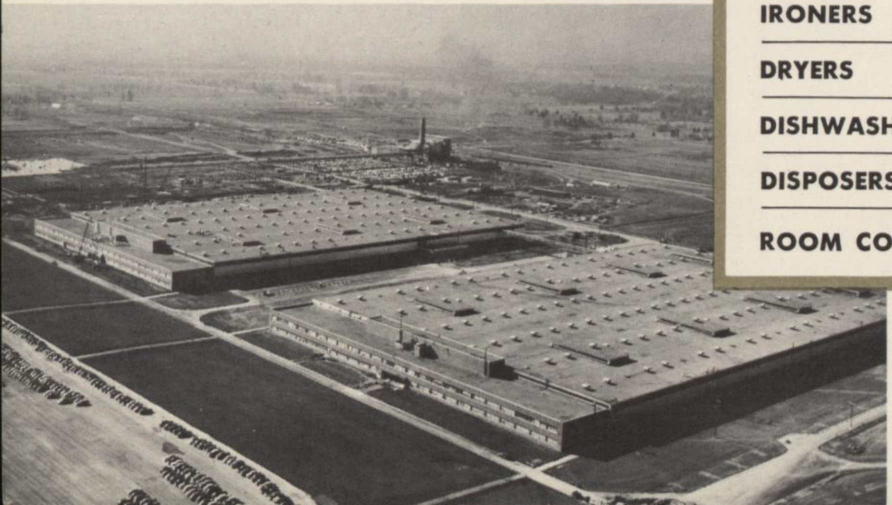
AIR CONDITIONING: 1952 marked a great awakening of public interest in year-round air conditioning for the home, providing cool, dry air in the summer as well as warm, clean air in winter.

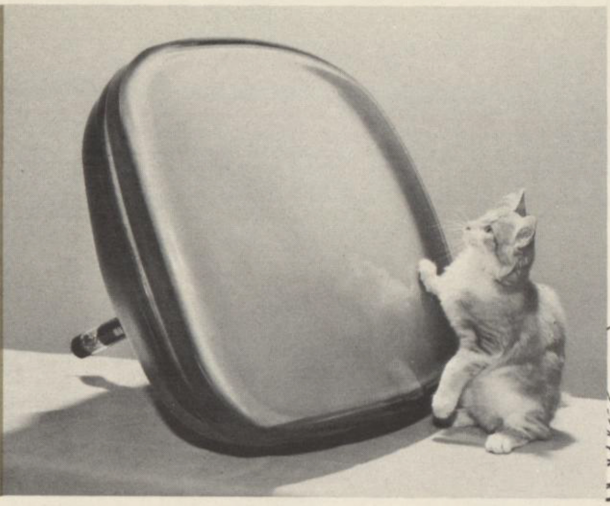
General Electric brought to this market in 1952 a truly revolutionary development in the air conditioning field. This was the heat pump, an all-electric device which automatically provides year-round climate control including heating, cooling, filtering, dehumidifying and air circulating—and which requires no fuel in the conventional sense. A refrigeration machine supplies summer air conditioning; in the winter the same mechanism reverses its operation to



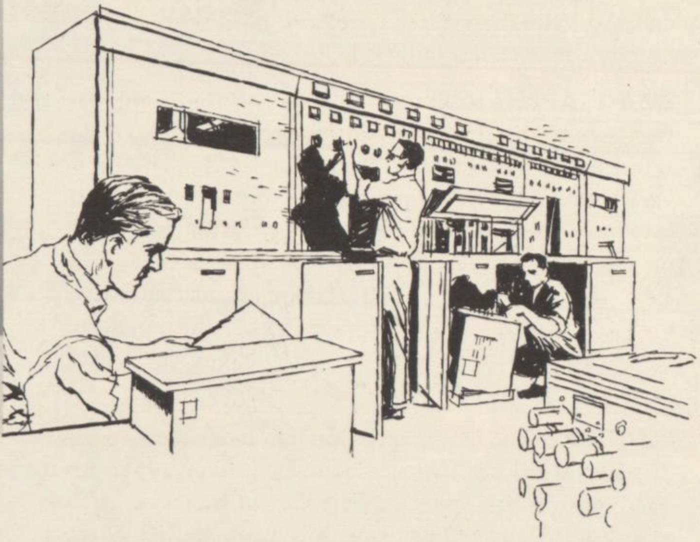
*1960 estimates are a composite of industry studies.

Appliance Park, now under construction in Louisville, Ky., will provide about 100 acres under roof for the production of General Electric appliances. Why the Company will need such extensive facilities is indicated by the chart, which shows the industry's 1952 sales volume and degree of market saturation in comparison with estimated sales and saturation expected in 1960.

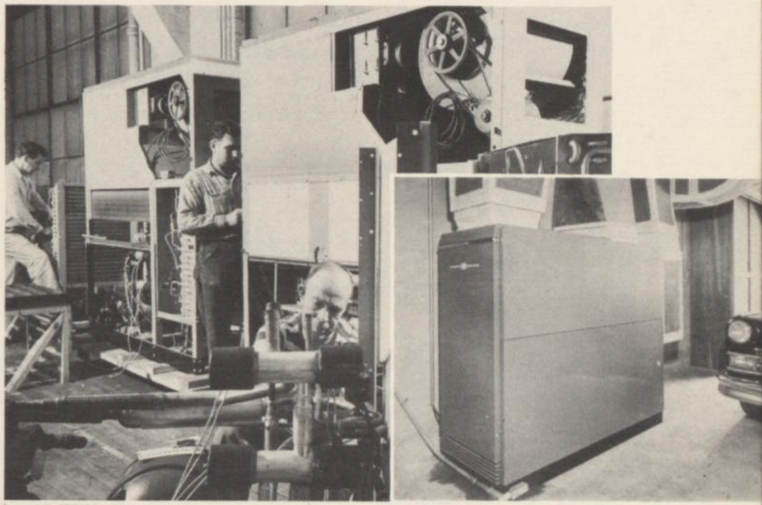




1952 television developments included introduction of first 27-inch aluminized picture tube offered to the industry.



First high-power UHF transmitter was built by General Electric for Station WHUM in Reading, Pa.



The heat pump, radical new method of heating and cooling homes, was in production at Bloomfield, N. J.

extract heat from outdoor air even when temperatures are low.

During 1952 heat pumps were sold principally in markets where demand for summer cooling is strongest. Accelerated research and engineering work is aiming at improving the device's performance and reducing its operating cost, in order to bring its price within reach of the average home owner.

A major consideration with regard to the heat pump is its effect on consumption of electric power. Broad usage of the heat pump would require a substantial increase in the nation's present generating capacity, and thus greatly increase demand for the Company's generation and transmission equipment.

In addition, General Electric marketed a redesigned line of equipment, using conventional fuels, to provide either heating alone, or an individual unit for both heating and cooling, or a cooling supplement that can be attached to existing furnaces.

MAJOR APPLIANCES: The Company's optimism in the future of the appliance industry reflected in the construction of Appliance Park is based on a number of factors: the increase in the nation's population by almost 2 million per year; increases in electrically wired homes averaging more than a million per year; increased per-capita earnings; and social changes in which electric appliances will become more important in day-by-day living.

As shown by the chart on the opposite page, the "saturation" of the market for many appliances has only begun, and with those appliances where the saturation is more complete—the refrigerator, for example—such factors as the replacement of models made obsolete by constant improvement in designs are expected to keep demand high. The number of major appliances in use today averages only about 2.2 per home. Realization of all sales expectations shown would raise this average to only 3.4 per home.

One of the developments promising most for the future is the increasing interest in the installation of electric garbage disposers on a city-wide basis, thus eliminating garbage collection. General Electric provided units for the first such installation—that in Jasper, Ind. The Public Health Service last year reported the Jasper experiment "highly successful" and noted the reduction in flies and rodent population. Shorewood Hills, Wis., announced in 1952 that it would adopt the plan.

Another appliance having a strong growth potential is the electric sink, combining a garbage disposer and a dishwasher. Your Company holds the leading position in acceptance of this product.

SMALL APPLIANCES: Popularity of the combination steam and dry iron continued to grow in 1952, with sales 50% above those for 1951. The new vacuum cleaner featuring the swivel-top for greater ease in cleaning also sold well. The decision was made to market only one model, instead of seven as in 1951, and to back this with heavy consumer advertising. As the result, dollar sales rose approximately 22%. Products introduced in 1952 include the travel iron and portable mixer pictured below.

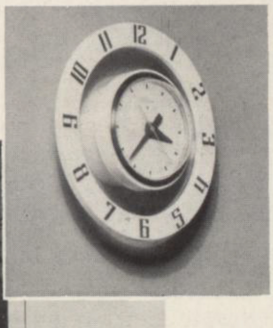
ELECTRONICS: The Electronics Division marked an increase in sales billed of about 13% over 1951. An outstanding development was the introduction of a new line of home television receivers. Called Ultra Vision, the new line resulted from an all-out effort to combine electrical, mechanical and optical techniques, leading to improved picture quality.

With the lifting of the "freeze" on new television stations in April, General Electric became a leading contender for the flood of new orders for transmitting and other station equipment. By the year's end the Company had supplied transmitters to 10 new stations. So that present set owners can receive the new high-frequency stations, the Division marketed two types of UHF "translators."

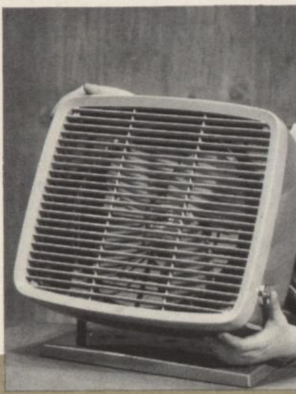
In the area of color television, Company personnel worked throughout the year with the National Television Systems Committee, which is devising basic standards to be proposed for adoption by the Federal Communications Commission. These standards would provide the foundation for a vastly improved system of color telecasting. At the same time the Division continued its development work of many years on color TV receivers and picture tubes.

A busy field both for production and research involved semiconductors. Small, sturdy devices called diodes (low-power rectifiers) and transistors (for amplification) can, in certain installations, take the place of vacuum tubes. Principal use of the diodes is in television receivers. Most of the 6.5 million television sets expected to be built by the industry in 1953 will incorporate as many as three. Your Company, supplying diodes to a number of manufacturers, will double its production during the year.

ELECTRIC TIMING: 26 of the nation's manufacturers of clock radios are equipping their products with Telechron timers. This factor, plus acceptance of new models of household clocks styled to keep pace with today's trend in home decoration, helped to produce a 5% increase in the Department's business in 1952.



Telechron's 'Originality' Kitchen Clock.



Home safety awards were won by grill-enclosed fan . . .

New portable mixer weighs only 3 pounds.

Double convenience: Electric sink includes both dishwasher and disposer.

Travel iron operates on d-c or a-c.

. . . and new safety wiring of automatic blanket.

AFFILIATED AND FOREIGN COMPANIES GROUP

Division: **International General Electric Company.** *Affiliated Companies:* **Canadian General Electric Company, Ltd., General Electric Credit Corporation.**

INTERNATIONAL GENERAL ELECTRIC COMPANY handles your Company's business outside of the United States and Canada. This Division assumed the responsibilities of the former International General Electric Company, Incorporated, which was merged into your Company in 1952.

Economic rehabilitation, industrial development, expansion of power supply and modernization of transport facilities continued in most countries during 1952. Despite more severe import and exchange controls, and stronger European competition, important orders were secured in practically all phases of your Company's business.

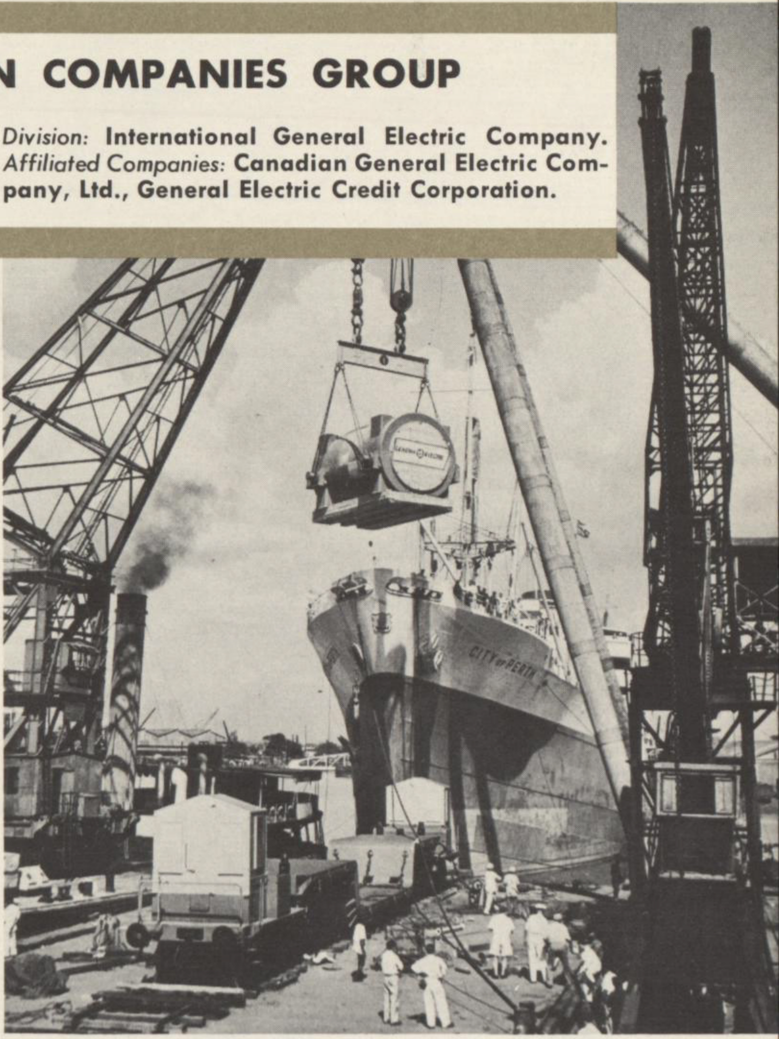
Interesting orders received in 1952 include: 61 diesel-electric locomotives for Chile; four turbo-gear ship propulsion units for Norway and Italy; ten 5000 hp. combustion gas turbines to drive compressors for oil field repressurization in Venezuela; TV broadcast and micro-wave communications relay equipments for Brazil; four 1,000,000-volt industrial x-ray units for inspection of steel plates and castings in Japan; air conditioning of a bank building in Cuba with 28 packaged units of three and five horsepower.

Commercial and industrial development of IGE's wholly-owned overseas affiliates continued. Manufacturing facilities in Brazil, Uruguay and Mexico were substantially increased.

CANADIAN GENERAL ELECTRIC: Canada's oldest and largest electrical manufacturer completed its sixtieth year of operation in 1952. The Company at present employs 15,000, operates 12 factories, and distributes through a chain of 35 sales offices across the nearly 4000-mile breadth of the country. Additional manufacturing capacity is being provided by facilities now under construction, including a $10 million power transformer plant.

The Company manufactures a full range of electrical products for the generation, distribution and utilization of electricity. About 90% of the Company's apparatus, appliances, communications equipment, lamps and allied products are manufactured and produced in Canada.

Postwar, Canada has concentrated on the development of its power resources, both hydro and steam. Canadian General Electric is currently supplying about 50% of the heavy electrical equipment for this power generating program. While fulfilling its primary function as a supplier to Canadian utilities and industry, the Company is playing an active role in the country's defense effort. It operates a jet overhaul center for the Royal Canadian Air Force and produces radar, communications and electronic control equipment.

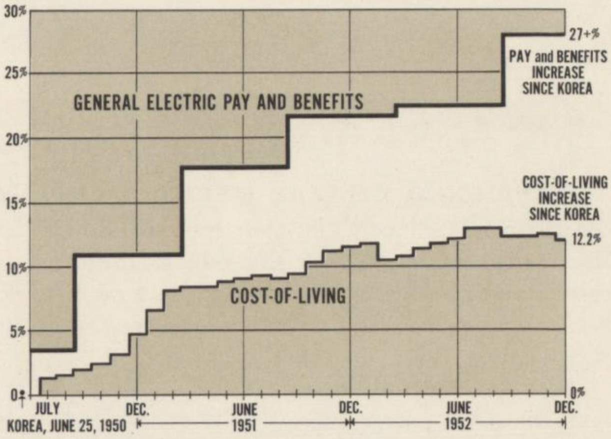


In Calcutta, a huge General Electric stator sold by International General Electric is unloaded to complete its journey to one of India's power generating stations.

GENERAL ELECTRIC CREDIT CORPORATION has for 20 years conducted a sales financing business to aid in the distribution of General Electric products. Today the Corporation's service is being rendered through more than 100 locations in principal cities throughout the country. Its volume of business in 1952, a little over $252 million, was the highest in the Corporation's history and an increase of 50% over 1951. Other details of the 1952 operating results of both the Canadian General Electric Company and General Electric Credit Corporation are included in the Financial Review on page 7.

Services Highlights . . .

EMPLOYEE RELATIONS: The average number of employees during 1952 was 216,800, an increase of about 6,600 over the average employment in 1951. Rates of pay and employee benefits were again increased. For the majority of employees these amounted to an additional 5.16% during the year, to be added to the percentage increase of September 15, 1951. Because of delays by some of the union leaders in accepting the Company's offers, increases for many unionized employees were not as great as for unorganized employees or for those in other unions which accepted the offers when they first became available. As indicated in the chart, employees' pay and benefits have increased over 27% since the Korean outbreak, against a cost-of-living increase of only 12%. Employee earnings of $949,194,000 in 1952, plus the cost of benefit plans such as those on pages 24 and 25, added up to well over a billion dollars.



Wages, salaries and employee benefits at General Electric totaled well over a billion dollars in 1952.

RESEARCH: A high-priority problem for the Research Laboratory in 1952 continued to be the research into new alloys capable of withstanding the high temperatures and stresses in gas turbines and jet engines. As a result of earlier research discoveries in this field, stronger metals that can operate at temperatures up to 1800°F have been developed, greatly increasing the potentials for power from these engines.

A second field of study in which the Laboratory invested heavily during the year was that of semiconductors. These are materials—of which germanium is the best known—which have unique electrical properties. For example, they can be made to transmit current in one direction and not in the other. With the Company's Electronics Division already developing a large-scale business out of earlier research in this field (see page 18), the Laboratory continued its fundamental investigations.

A newer field for intensive research was that of electroluminescence, or "cold light," produced when phosphor-coated glass is made to glow by passing electric current through electrically conducting film on the glass. Although it is still inefficient for lighting purposes, discovery of a heatless light source 50 times brighter than such previous sources held promise that cold light may take its place alongside incandescent and fluorescent illumination.

ENGINEERING: To make sure that the benefits of the engineering experience of the Company as a whole are made available to each decentralized operating department, Engineering Services Division broadened its scope extensively in 1952. The Division provides a central service organization from which operating managers can secure information and assistance from engineering specialists.

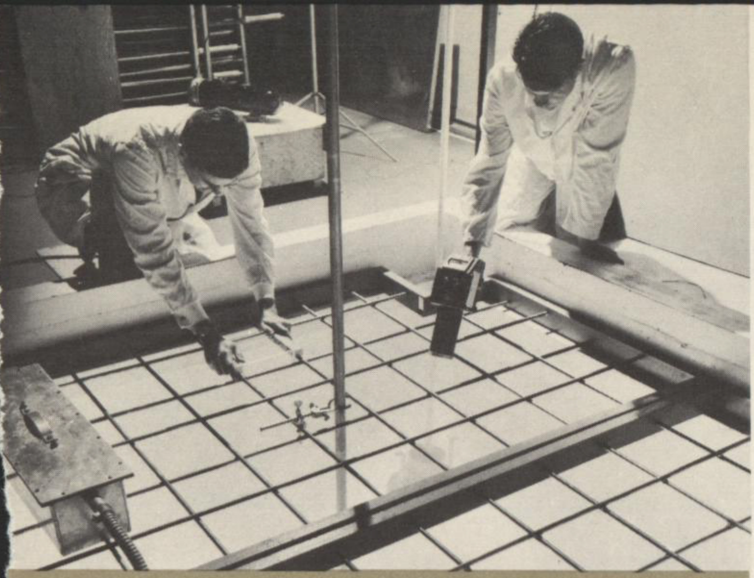
An engineering project of joint interest to many departments was the Division's development of a system of simplified drafting that eliminates superfluous details and saves as much as 20 to 50% of drafting time. More than 2500 draftsmen and supervisors have been trained in these new techniques, resulting in substantial cost reductions.

The Division recruited more than 1000 technically trained young people through interviews at colleges and military separation camps in 1952. Enrollment in the broad variety of technical courses offered by the Company totaled more than 2500.

When engineering jobs are beyond the facilities or talents of individual departments, their managers can call on the services of the General Engineering Laboratory, which the Division operates. In 1952 some 55 operating departments did request such assistance. In this field of service, consultation and development, approximately 500 individual projects were carried forward during the year.

MANUFACTURING: As part of General Electric's continuing effort to improve its manufacturing operations, it is currently involved in an extensive "automation" program—automation being the automatic handling of parts during the manufacturing process. The picture on the opposite page shows, as an example, how this principle is being applied in the manufacture of electric ranges, making it possible to produce a better range at lower cost.

To provide manpower trained in manufacturing techniques, the Manufacturing Services Division



Nuclear research scientists make use of radioactive cobalt equivalent to twice the world's present supply of radium. It is stored in nine-foot-deep tank of water.

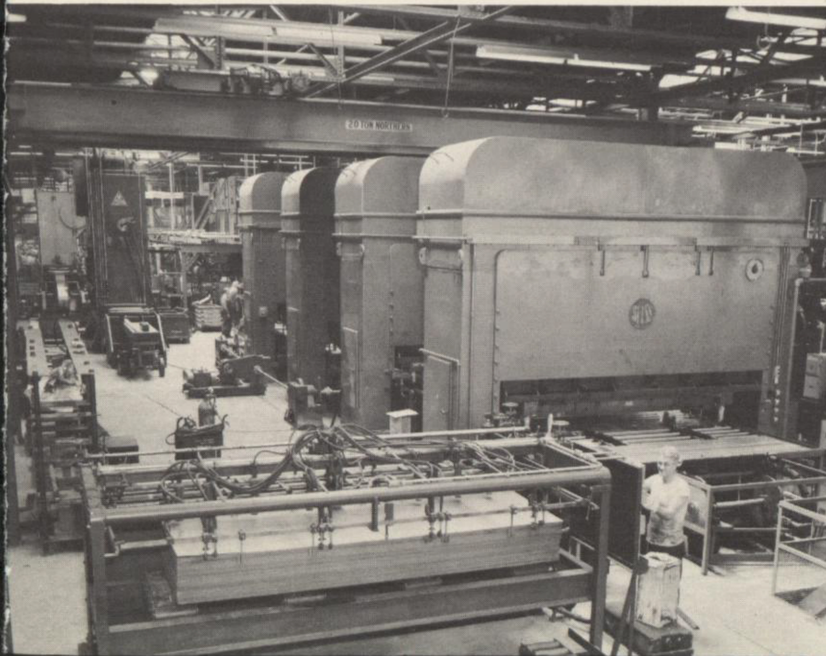
completed, during 1952, the first year of operation of its new training program. The program's 112 young men, about half of whom were recruited directly from college and the remainder from within the Company, broadened their experience through varied work assignments and related evening classes.

Other specialists also received training in a new cost-cutting activity known as "purchasing value analysis." This consists of taking apart manufactured products and studying them to determine where costs of production can be shaved without affecting quality. One such study, for example, determined that simple re-design of a part for the Company's automatic washers would permit use of standard rather than specially made parts, reducing costs from $52.50 per thousand to $10.50 per thousand.

MARKETING: In 1952 your Company's operating managers were presented with an advanced concept of marketing, formulated by the Marketing Services Division. This, in simple terms, would introduce the marketing man at the beginning rather than the end of the production cycle and would integrate marketing into each phase of the business. Thus marketing, through its studies and research, would establish for the engineer, the designer and the manufacturing man what the customer wants in a given product, what price he is willing to pay, and where and when it will be wanted. Marketing would have authority in product planning, production scheduling and inventory control, as well as the sales distribution and servicing of the product. This concept, it is believed, will tighten control over business operation and will fix responsibility, while making possible greater flexibility and closer teamwork in the marketing of the Company's products.

PUBLIC RELATIONS in your Company, meaning the shaping of good relations with individual Americans, is considered the responsibility of every General Electric person, not excluding the share owners. The formal public relations program which your Company sponsors, by such means as advertisements, publications, motion pictures and the Fred Waring television program, aims only at interpreting and communicating this broader sphere of activity. A survey conducted for the Company in 1952 showed that 8 out of 10 people liked General Electric in all ways, 6.5% liked the Company in some ways but not in others, 12.9% expressed no opinion, while only 1% expressed dislike. This was the highest favorable reaction recorded in the survey.

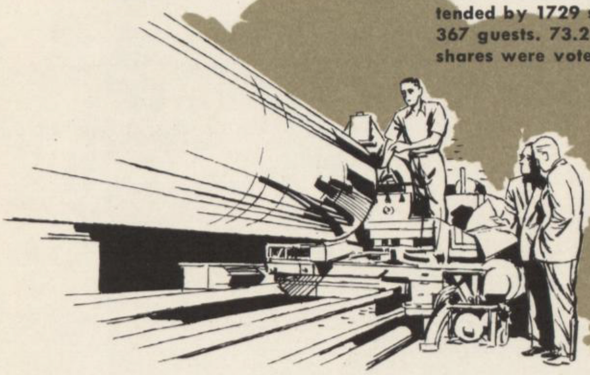
Simplified drafting methods developed by Engineering Services staff reduce size of blueprints and save draftsmen's time.



Manufacturing: automatic machinery in Company's range factory includes four large presses that blank, trim and form range bodies from a single piece of steel.

Special Notes for Share Owners

1952 Annual Meeting was attended by 1729 share owners and 367 guests. 73.2% of outstanding shares were voted.



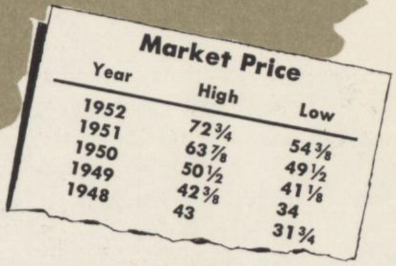
1952 marked the 54th consecutive year in which General Electric paid dividends. 50-year record of earnings and dividends on page 26.

To get firsthand report on jet-engine production, your Board of Directors toured Evendale, O. plant in September.

The average number of General Electric share owners of record during 1952 was 252,837. Information supplied by the Brookings Institution's study of share ownership in the U.S. enabled your Company to estimate that in addition to share owners of record, about 69,000 beneficial owners have their shares registered in the names of nominees of banks and trust companies and in the names of stock brokers and security dealers. Of the share owners of record, about 24% held 10 shares or fewer; 25% from 11 to 25 shares; 22% own 26 to 50 shares; 17% own 51 to 100 shares; and 12% own more than 100 shares.

For sixth consecutive year, Company's Annual Report was judged best in the electrical industry in *Financial World* competition. Annual Meeting Report was rated best for all industry.

Market price of General Electric stock ranged from a low of 54⅜ to a high of 72¾ during 1952.



Market Price

Year	High	Low
1952	72¾	54⅜
1951	63⅞	49½
1950	50½	41⅛
1949	42⅜	34
1948	43	31¾

Organization Changes

Pursuant to the by-laws, and by action of the Board of Directors, the authorized number of directors was reduced from seventeen to sixteen on January 23, 1953.

Robert T. Stevens, Chairman of the Board and Director of J. P. Stevens and Company, Inc., resigned as a Director of your Company as of January 19, 1953, following his designation as Secretary of the Army in the U.S. Government. Mr. Stevens had served as a Director since 1946.

William R. Herod was elected a Vice President of the Company on July 25. He continues as President and General Manager of the International General Electric Company Division.

Eight members of the Company's management were elected Vice Presidents of the Company as of January 1, 1953, and will serve as General Managers of the Operating Divisions indicated. The Vice Presidents elected were:

James M. Crawford—Motor and Generator Division;

Francis E. Fairman, Jr.—Transformer and Allied Products Division;

Cramer W. LaPierre—Aircraft Gas Turbine Division;

Clarence H. Linder—Major Appliance Division;

Harold A. MacKinnon, formerly the Company's Assistant Comptroller, who was named General Manager of the Component Products Division;

Charles K. Rieger—Small Appliance Division;

Glenn B. Warren—Turbine Division;

William C. Wichman, formerly General Manager of the Component Products Division, who was made General Manager of the newly organized Industrial Power Components Division.

Edwin E. Potter, Vice President in charge of the Company's Washington, D. C. office, retired as of December 31, 1952, under provisions of the Company Pension Plan, after nearly 43 years of service.

Warde B. Stringham was elected a Commercial Vice President on December 24.

Directors and Officers

Board of Directors

S. SLOAN COLT
RALPH J. CORDINER
DONALD K. DAVID
CHARLES D. DICKEY
G. PEABODY GARDNER
FRANCIS L. HIGGINSON
JOHN HOLMES
GEORGE H. LOVE
THOMAS B. McCABE
NEIL H. McELROY
GEORGE G. MONTGOMERY
HENRY S. MORGAN
PHILIP D. REED
ROBERT T. STEVENS*
SIDNEY J. WEINBERG
LEWIS B. WILLIAMS
ROBERT W. WOODRUFF

Officers

RALPH J. CORDINER.................... *President*
PHILIP D. REED.............. *Chairman of the Board*

Executive Vice Presidents

HENRY V. ERBEN
ROY W. JOHNSON
ROBERT PAXTON

Vice Presidents

WALTER R. G. BAKER
JOHN W. BELANGER
LEMUEL R. BOULWARE
JOHN L. BUSEY
NICHOLAS M. DuCHEMIN
JAMES M. CRAWFORD
FRANCIS E. FAIRMAN
FRED F. HARROFF
WILLIAM R. HEROD
CHESTER H. LANG
CRAMER W. LaPIERRE
CLARENCE H. LINDER
RAY H. LUEBBE
HAROLD A. MacKINNON
GEORGE R. PROUT
CHARLES K. RIEGER
HAROLD F. SMIDDY
C. GUY SUITS
CLARENCE C. WALKER
GLENN B. WARREN
WILLIAM C. WICHMAN
HARRY A. WINNE

Comptroller

DONALD L. MILLHAM

Treasurer

JOHN D. LOCKTON

Secretary

RAY H. LUEBBE

Commercial Vice Presidents

WILLIAM V. O'BRIEN.................. *Schenectady*

WILLIAM B. CLAYTON..................... *Dallas*
RALPH M. DARRIN...................... *New York*
ORVILLE F. HAAS.................... *Philadelphia*
CLAUDE J. HENDON...................... *Atlanta*
ARTHUR R. HINES....................... *New York*
SAMUEL LITTLEJOHN.................... *Cleveland*
ROSS I. PARKER........................... *Chicago*
WARDE B. STRINGHAM................ *Washington*
RAY W. TURNBULL................... *San Francisco*

---

*Resigned January 19, 1953.

Statistics—Employee Benefit Plans

Over a period of 50 years, many plans have been established to help General Electric employees take care of their own welfare and financial security. Only the essential features of the principal plans currently in effect are outlined here, the rights of any individual being subject to the actual terms and conditions of each plan. Unless otherwise specified, the statistics shown are as of December 31, 1952.

SAVINGS PLANS

(Original plan established in 1917)

Employees Savings and Stock Bonus Plan, established and approved by the share owners in 1948, provides for a 15% bonus in General Electric common stock based on cost (up to $525 per participant per year—maximum total cost $30,000,000) of U.S. Savings Bonds, Series E, purchased through payroll deductions and left on deposit with the Company for 5 years.

Cost of Bonds on deposit	**$78,829,000**
Number of participants	**92,484**
Annual rate of cost of Bonds being purchased	**$26,503,000**

The bonus contingently credited to participants as of December 31, 1952 was represented by 236,341 shares of common stock held by, or for delivery to, the Trustees of the G.E. Employees Stock Bonus Trust.

U.S. Savings Bond Plan, established in 1941, provides for purchase of U.S. Savings Bonds by means of payroll deductions, or for cash, irrespective of purchases under the Employees Savings and Stock Bonus Plan.

Number of participants	**21,520**
Annual rate of cost of Bonds being purchased	**$7,272,000**
Cost of Bonds purchased 12 years ended December 31, 1952	**$296,638,000**

INSURANCE PLANS

Employees Insurance Plan, established in 1920, provides life insurance coverage, accidental death and dismemberment benefits, maternity benefits, and non-occupational sickness, accident, hospitalization and surgical operation benefits. Life insurance coverage, in reduced amounts, is provided for after attainment of normal retirement age. Costs are paid for jointly by the Company and by employees, but employees pay nothing after normal retirement age.

Pensioners Hospitalization Plan, established in 1948, provides free hospital and surgical operation benefits from the General Electric Pensioners Hospitalization Trust, whose assets total $6,154,000. Eligible pensioners may receive benefits amounting to a maximum of $500 during their lifetimes.

Other Health Insurance Plans: Through Mutual Benefit Associations (first established in 1902) or Insured Health Plans (established in 1939) participating employees may provide hospital, surgical, and other benefits for their *dependents.* Three associations provide catastrophe coverage for *employees* in event of extended medical expenses. The cost of benefits under these plans is paid by employees and administrative costs are borne by the Company.

Total benefits paid, all plans, in 1952	**$20,776,000**
Per cent participation in Employees Insurance Plan	**98%**

PENSION PLANS

The Pension Plan, originally established in 1912, was amended with the approval of the share owners in 1946 and in 1951. In addition to providing pensions at normal retirement age and in the event of permanent disability, the plan grants vested rights to a pension after 20 years' credited service, pensions for optional retirements up to 5 years prior to normal retirement age, supplemental payments to age 65, survivorship options, a 5-year guarantee of pensions, and specified minimum retirement incomes (including primary Social Security payments). Pensions consist of past service annuities for service prior to September 1, 1946, which are paid for entirely by the Company, and future service annuities paid for jointly by employees and the Company.

The passing of the $100 million mark in General Electric pension payments was commemorated early in 1953 when President Cordiner presented Henry Hochuli, of Irvington-on-Hudson, with his 249th monthly pension check. Hochuli retired 21 years ago after 42 years' service.

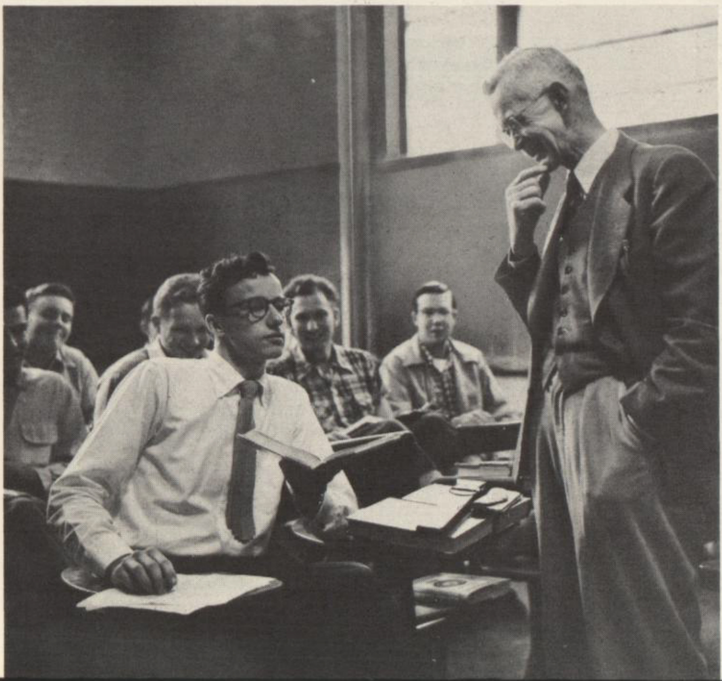
Assets of the General Electric Pension Trust	**$415,479,000**
Pensions paid during 41 years ended December 31, 1952	**$100,111,000**
Number on pension rolls December 31, 1952	**14,036**
Average age of pensioners	**68.4 years**
Average continuous service of pensioners to date of retirement	**25.4 years**
Minimum annual retirement income (including primary Federal Social Security payments) guaranteed to participants who retire at normal retirement age with 25 or more years of credited service	**$1,500**

The assets of the General Electric Pension Trust consisted principally of high grade corporate and U.S. Government securities. A total of $70,005,000 was payable to the Trust for 1952 ($51,770,000 by the Company and $18,235,000 by employees) of which $16,693,000 was paid between December 31, 1952 and February 28, 1953.

An Additional Pension Plan, established in 1928 to promote employee saving for supplemental pension purposes, was terminated on September 1, 1946, except as to amounts then accumulated. The assets of the Trust totalled $12,772,000 December 31, 1952, held for the benefit of 14,149 participants.

INCENTIVE COMPENSATION PLAN

This Plan, first formalized in 1923, now provides for payments, dependent upon consolidated net earnings of the Company, to participating employees (including executive officers) in managerial and other important positions, as an added incentive to increase earnings. The Plan now in effect was approved by the share owners in 1951.



Jimmy Clark, son of a General Electric employee, is one of the young people who were aided in their college work in 1952 through the Company's Educational Assistance Program. Holder of a Charles P. Steinmetz scholarship, he studies engineering at Union College.

Granting of $5000 to R. G. Miller of the Schenectady Works in 1952 was the Company's highest award for an employee's suggestion. His improvement in a machining process, which he is explaining here to his foreman, will save the Company many thousands of dollars.

Amount set aside based on the Company's net earnings of $151,720,000 for 1952	**$10,200,000**

Of this amount such portion as the Directors may determine will be allotted in 1953 to employees of the Parent Company (other than employees on Nucleonics projects) and its consolidated affiliates. The amount set aside based on the Company's net earnings of $138,117,000 for 1951 was $9,000,000, with $7,917,000 being allotted.

SUGGESTION PLAN

Formalized in 1922, the Plan provides cash awards to employees whose suggestions are adopted. The purpose of the Plan is to stimulate initiative in proposing better methods, reducing costs, or otherwise improving the Company's operations.

Awards made during 1952	**$579,000**
Awards made during 30 years ended December 31, 1952	**$4,321,000**

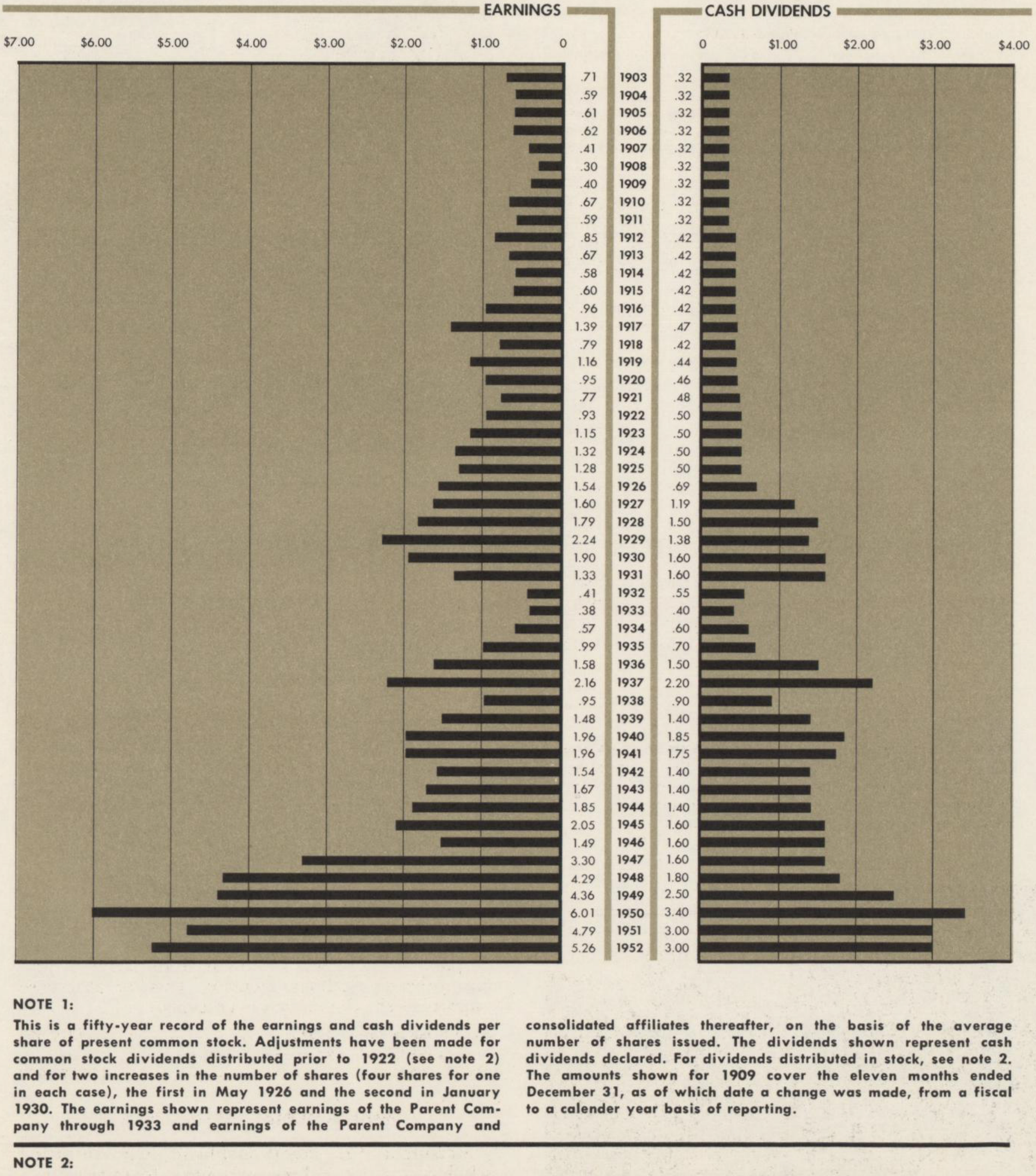
EDUCATIONAL ASSISTANCE

Starting in 1922, educational loans, fellowships and scholarships have been provided for employees, children of employees, and others.

Grants made during 30 years ended December 31, 1952:

Amount	**$526,000**
Number	**1,119**

Earnings and Dividends



NOTE 1:

This is a fifty-year record of the earnings and cash dividends per share of present common stock. Adjustments have been made for common stock dividends distributed prior to 1922 (see note 2) and for two increases in the number of shares (four shares for one in each case), the first in May 1926 and the second in January 1930. The earnings shown represent earnings of the Parent Company through 1933 and earnings of the Parent Company and consolidated affiliates thereafter, on the basis of the average number of shares issued. The dividends shown represent cash dividends declared. For dividends distributed in stock, see note 2. The amounts shown for 1909 cover the eleven months ended December 31, as of which date a change was made, from a fiscal to a calender year basis of reporting.

NOTE 2:

In addition to cash dividends, the following dividends have been distributed in stock: 1902—66⅔% in common stock, to restore a 40% reduction made in 1898; 1912—30% in common stock; 1917—2% in common stock; 1918-1921 inclusive—4% annually in common stock; 1922-1925 inclusive—5% annually in special* stock; 1924—one share of Electric Bond and Share Securities Corporation stock; 1926—one dollar in special* stock; 1932—1/6 share of Radio Corporation of America common stock.

***Special stock, par value $10 a share, paying 6% annual dividend. Retired in 1935 at $11 a share and accrued dividend.**

Consolidated Statement of Earnings

Current Earnings

	YEAR ENDED DECEMBER 31 1952		1951	
Sales of products and services to customers		$2,623,887,509		$2,319,347,956
Deduct: Depreciation of plant and equipment (Note 2)	$ 59,733,720		$ 56,519,432	
All other operating costs, expenses and charges	2,176,758,329		1,869,118,382	
Total operating costs, expenses and charges (Note 3)		2,236,492,049		1,925,637,814
Income from operations		387,395,460		393,710,142
Add: Dividends and interest from nonconsolidated affiliates	12,161,550		10,826,819	
Other sundry revenue	16,397,798		11,099,212	
Total non-operating income		28,559,348		21,926,031
Total income from operations and other sources		415,954,808		415,636,173
Deduct: Interest and other financial charges	234,903		19,646	
Provision for Federal taxes on income, and renegotiation (Note 4)	264,000,000		277,500,000	
Total deductions from income		264,234,903		277,519,646
Net earnings		$ 151,719,905		$ 138,116,527

Reinvested Earnings

	1952		1951	
Reinvested earnings at beginning of period	$589,825,545		$505,707,792	
Add: Net earnings for year	151,719,905		138,116,527	
Net undistributed earnings of nonconsolidated affiliates (Notes 5 and 8)	16,023,824		2,417,231	
Other additions	—		29,500,000	
	757,569,274		675,741,550	
Deduct: Dividends declared on common stock	85,881,978		85,916,005	
Reinvested earnings at end of period		$ 671,687,296		$ 589,825,545

The accompanying notes (page 30), which include a description of the basis of consolidation, constitute an integral part of this statement.

Consolidated Balance Sheet

Assets

	DECEMBER 31, 1952		DECEMBER 31, 1951	
Current assets:				
Cash	$ 64,940,466		$ 71,927,452	
Marketable securities (Note 6)	286,064,657		142,730,267	
Receivables—after reserves:				
Customers	319,562,888		259,453,749	
Nonconsolidated affiliates	71,707,474		65,724,465	
Others	40,998,286		27,548,026	
Inventories—after reserves (Note 7)	622,987,340		571,355,191	
	1,406,261,111		1,138,739,150	
Deduct: Progress collections on contracts	*416,198,656*		*199,839,577*	
Price adjustments accrued	*16,224,655*		*42,019,954*	
Total current assets		$ 973,837,800		$ 896,879,619
Investments:				
Nonconsolidated affiliates (Note 8)	140,559,474		172,328,497	
General Electric common stock (Note 9)	7,155,246		3,717,273	
Miscellaneous securities—after reserve (Note 10)	13,267,056		14,637,404	
Total investments		160,981,776		190,683,174
Plant and equipment:				
Cost	839,835,424		751,783,862	
Deduct: Accumulated depreciation	*460,681,464*		*433,062,041*	
Plant and equipment—net		379,153,960		318,721,821
Assets of special funds:				
Fund for payments under U.S. Government contracts	19,330,302		13,094,227	
Employee benefit plans and taxes withheld	24,865,632		22,156,416	
Total assets of special funds—per contra		44,195,934		35,250,643
Other assets:				
Receivables not current—after reserves	14,666,975		12,297,022	
Marketable securities deposited as guarantees (Note 6)	3,554,921		3,534,330	
Miscellaneous assets—after reserves	3,132,511		2,435,920	
Patents and other intangible assets	1		1	
Total other assets		21,354,408		18,267,273
Total assets		$1,579,523,878		$1,459,802,530

Liabilities and Share Owners' Investment

	DECEMBER 31, 1952		DECEMBER 31, 1951	
Current liabilities:				
Accounts payable	$ 107,561,038		$ 76,342,149	
Due to nonconsolidated affiliates	3,044,141		3,437,421	
Dividends payable	21,433,420		21,469,562	
Accrued liabilities:				
Federal, state and local taxes	312,819,803		336,634,532	
Other costs and expenses (Note 11)	130,276,319		106,506,090	
Total current liabilities		$ 575,134,721		$ 544,389,754
Accounts payable and accruals—not current		23,994,156		24,096,737
Liabilities for special funds:				
Fund for payments under U.S. Government contracts	19,330,302		13,094,227	
Employee benefit plans and taxes withheld (Note 12)	24,865,632		22,156,416	
Total liabilities for special funds—per contra		44,195,934		35,250,643
Deferred income		2,145,469		2,198,201
Miscellaneous reserves		61,172,084		65,507,165
Share owners' investment:				
Common stock—stated value of no par value shares (authorized 35,000,000 shares; issued 28,845,927 shares)	180,287,046		180,287,046	
Investment in excess of stated value of common stock (Note 13)	20,907,172		18,247,439	
Reinvested earnings	671,687,296		589,825,545	
Total share owners' investment (Note 14)		872,881,514		788,360,030
Total liabilities and share owners' investment		$1,579,523,878		$1,459,802,530

The accompanying notes (page 30), which include a description of the basis of consolidation, constitute an integral part of this statement.

Notes to Consolidated Financial Statements

Note 1—Basis of Consolidation. These financial statements at December 31, 1952 represent a consolidation of the accounts of the Parent Company—General Electric—and those of the following affiliated companies 100% of whose voting stock was owned by the Parent Company: General Electric Realty Corporation; The Mahoning Valley Steel Company; and The Maqua Company. (Hereafter referred to as the Consolidated Group.)

Two wholly-owned affiliates included in the consolidation at December 31, 1951 were merged with the Parent Company during 1952.

The accounts of other affiliated companies, a majority of whose voting stock was owned, directly or indirectly, by the Parent Company, were not consolidated because their businesses either did not involve manufacturing or were conducted outside the continental United States. (Hereafter referred to as Nonconsolidated Affiliates.)

The financial interests of the Consolidated Group in the Nonconsolidated Affiliates were carried on the accompanying Balance Sheet as Investments, on the valuation basis described in Note 8.

The net earnings of the Consolidated Group reflected (a) the inclusion of amounts received as dividends from, rather than the equity in the net earnings of, the Nonconsolidated Affiliates; (b) the elimination of unrealized intercompany inventory profits; and (c) the application of safety factor discounts to foreign currency asset values.

Note 2. Included, in the case of facilities covered by necessity certificates, the amount of amortization permitted by the Revenue Act of 1950.

Note 3. Operating costs, expenses and charges excluded those applicable to Nucleonics projects operated for the U.S. Government.

Note 4. The amounts shown for 1952 and 1951 include $58,132,000 and $65,598,000 respectively, as provision for excess profits tax.

Note 5. Undistributed earnings represented the differences between the equity of the Consolidated Group in the net earnings or losses of, and the dividends from, the Nonconsolidated Affiliates for each respective year.

Note 6. Marketable securities, which consisted of issues of the U.S. Government and its agencies and of high grade short term commercial paper, were carried at the lower of amortized cost or market value, on the basis of individual issues. On December 31, 1952, the aggregate quoted market value of the securities held was as follows: Securities in portfolio—$286,084,466; Securities deposited as guarantees—$3,554,921.

Note 7. Inventories were verified by physical count during the latter part of the year. With the exception of tungsten stocks, inventories were carried, in accordance with long-established practice, at the lower of cost (exclusive of certain indirect manufacturing expenses) or market values of individual items or groups of items on a "first-in, first-out" basis, less reserves which (a) make provision for possible losses on inactive and excess stocks; (b) have the effect of accounting for the inventory of copper substantially in accordance with the base stock principle; and (c) eliminate unrealized intercompany profits. The tungsten metal stocks were valued on a "last-in, first-out" basis.

Note 8. Investments in Nonconsolidated Affiliates consisted of:

	Dec. 31, 1952	Dec. 31, 1951
Canadian General Electric Company, Ltd.	$ 42,175,556	$ 44,569,242
General Electric Credit Corporation	50,415,632	86,391,596
General Electric Distributing Corporation	29,469,094	19,785,184
All other	18,499,192	21,582,475
	$140,559,474	$172,328,497

These carrying values represented the sum of the Consolidated Group's outstanding advances to, and equity in the net worth of, each Nonconsolidated Affiliate as of the close of the year. The net worth of each Nonconsolidated Affiliate was determined on the same accounting basis as was employed by the Consolidated Group, and thus it reflected (a) the elimination of unrealized intercompany profits and (b) the application of safety factor discounts to foreign currency asset values.

Notes payable by domestic Nonconsolidated Affiliates to outside sources as of December 31, 1952 were as follows:

General Electric Credit Corporation	$89,809,000
General Electric Distributing Corporation	36,000,000

Note 9. General Electric common stock in the portfolio was held for corporate purposes and was carried at its cost. There were 159,335 shares held on December 31, 1952, the aggregate quoted market value of which was $11,591,595.

Note 10. With the exception of certain foreign investments, principally in Germany and Japan, which were written off some years ago, miscellaneous securities were valued at cost less a reserve of $7,500,000 to provide for possible losses. On December 31, 1952 the estimated market or fair value of the portfolio was $44,270,228.

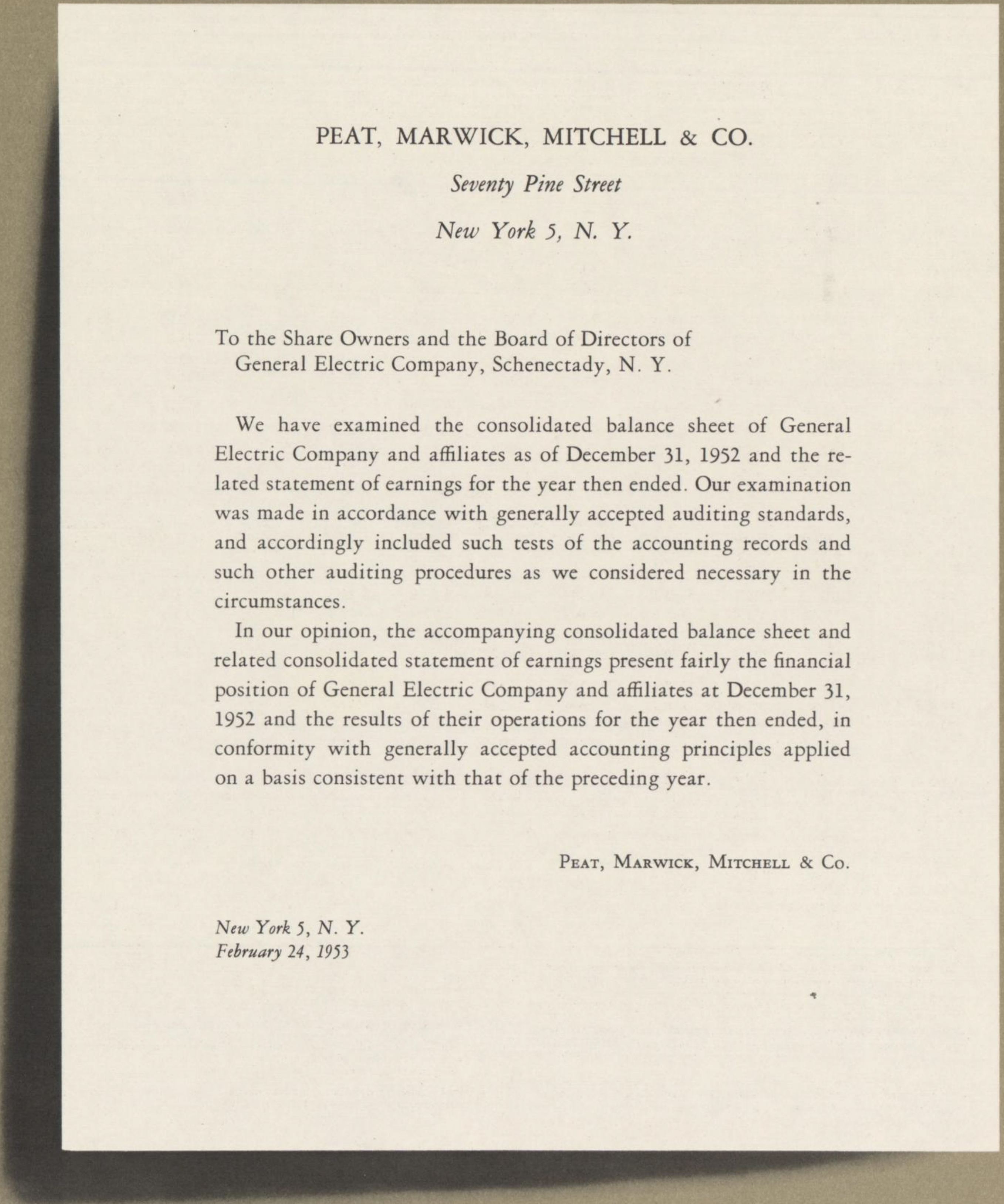
Note 11. Other costs and expenses accrued included liabilities for payrolls, payments to the General Electric Pension Trust, replacement guarantees, etc.

Note 12. These amounts included the liability under the deferred contingent provisions of the Incentive Compensation Plan for the years 1947 through 1951 in the amount of $3,780,000.

Note 13. Represented profits realized on treasury stock disposed of and premiums received on original sales of common stock.

Note 14. In addition to the common stock there have been authorized, but not issued, 1,207,036 shares of $10.00 par value 6% cumulative special stock.

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS



PEAT, MARWICK, MITCHELL & CO.
Seventy Pine Street
New York 5, N. Y.

To the Share Owners and the Board of Directors of
General Electric Company, Schenectady, N. Y.

We have examined the consolidated balance sheet of General Electric Company and affiliates as of December 31, 1952 and the related statement of earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and related consolidated statement of earnings present fairly the financial position of General Electric Company and affiliates at December 31, 1952 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Peat, Marwick, Mitchell & Co.

New York 5, N. Y.
February 24, 1953

Operating and Other Statistics

DOLLARS IN MILLIONS

Year	Sales to Customers	Non-operating Income	Compensation of Employees (a)	Job Dividends (b)	Materials, etc. (c)	Depreciation Charges (d)	Federal Taxes on Income (e)	Interest and Financial Charges	Net Earnings	Dividends Declared
1937	$387.5	$16.4	$151.3	$ 9.8	$153.0	$14.2	$ 12.5	$0.7	$62.4	$63.3
1938	292.6	10.0	126.6	9.8	118.1	13.3	6.7	0.8	27.3	25.9
1939	342.3	10.0	133.3	10.4	138.4	15.7	11.0	0.7	42.8	40.3
1940	456.5	13.2	161.9	12.3	175.4	16.7	46.3	0.5	56.6	53.3
1941	744.1	13.0	250.3	15.6	278.7	23.5	130.9	1.4	56.7	50.4
1942	964.5	11.1	383.8	27.1	372.1	26.3	120.9	1.1	44.3	40.3
1943	1,377.2	10.1	506.2	30.0	633.3	27.1	141.2	1.3	48.2	40.3
1944	1,447.1	16.3	507.3	26.9	696.9	28.0	150.0	0.8	53.5	40.3
1945	1,378.3	9.7	447.3	27.7	716.7	43.6	93.1	0.6	59.0	46.1
1946	768.9	13.4	374.4	23.0	340.2	21.5	*21.1*	1.3	43.0	46.1
1947	1,330.8	16.7	511.6	42.8	599.4	28.3	64.8	5.3	95.3	46.1
1948	1,632.7	18.8	610.3	49.6	730.5	38.3	93.7	5.3	123.8	51.4
1949	1,613.6	20.2	597.9	51.7	728.2	47.5	78.0	4.9	125.6	71.0
1950	1,960.4	28.9	630.8	65.1	867.0	51.2	197.0	4.8	173.4	97.1
1951	2,319.3	21.9	781.7	88.8	998.6	56.5	277.5	—	138.1	85.9
1952	2,623.8	28.5	885.0	90.0	1,201.7	59.7	264.0	0.2	151.7	85.9

DOLLARS IN MILLIONS

Year	Product Prices (f)	Capital Invested (g)	Total Earnings of Employees (h)	Average Number of Employees (h)	Average Number of Share Owners	Plant Expenditures	Provision for all Taxes (e)	Notes Payable Dec. 31	Earnings as % of Sales	Earned on Capital Invested (i)
1937	107	$329.8	$163.1	85,947	196,309	$ 24.8	$ 26.5	$ 9.0	16.1%	18.9%
1938	104	332.4	116.6	68,809	207,702	13.4	18.9	9.7	9.3	8.3
1939	102	328.1	134.5	71,485	209,627	13.3	24.8	3.7	12.5	13.1
1940	100	330.7	169.6	85,746	211,622	23.5	61.8	4.7	12.4	17.2
1941	(f)	337.5	278.6	121,326	217,398	45.2	159.5	5.7	7.6	16.9
1942	(f)	347.8	410.7	151,644	220,504	31.7	154.2	5.1	4.6	12.8
1943	(f)	357.9	506.0	184,445	226,386	14.9	175.0	5.1	3.5	13.5
1944	(f)	368.1	497.2	180,018	232,925	13.3	191.1	4.1	3.7	14.6
1945	(f)	380.7	433.9	161,822	238,975	41.1	126.9	3.4	4.3	15.6
1946	111	578.7	404.7	159,435	246,013	99.8	17.7	202.9	5.6	7.6
1947	133	632.8	559.8	185,696	249,351	102.0	129.4	202.4	7.2	15.8
1948	137	734.8	662.7	196,798	249,311	103.9	173.7	177.1	7.6	17.5
1949	137	761.5	606.7	179,300	250,562	60.9	152.1	144.5	7.8	17.0
1950	140	702.9	681.0	183,800	249,530	58.2	299.4	—	8.8	25.2
1951	154	788.4	883.7	210,200	252,993	102.2	402.6	—	6.0	17.5
1952	154	872.9	949.2	216,800	252,836	123.1	360.0	—	5.8	17.4

(a) Excludes compensation applicable to work in process and finished goods on hand at end of year, that chargeable to plant construction or similar capital projects, and that applicable to Nucleonics projects.

(b) Pensions, insurance, social security taxes and all other employee benefits not classified as compensation.

(c) Includes all other applicable costs, expenses and charges not separately tabulated.

(d) Amortization charges, if any, are included. The 1945 charges also include accelerated amortization of emergency facilities applicable to the years 1940–1945, inclusive.

(e) Amounts shown cover provision for taxes applicable to operations for the year, less claims for refunds of taxes on income for prior years and estimated postwar refunds of excess profits taxes.

(f) Index numbers—1940 = 100. Data cover prices of products of the Parent Company only in 1937–1939, inclusive, and of the consolidated companies thereafter—all on a weighted average basis. Data for 1941–1945, inclusive, were omitted because production was largely for war purposes.

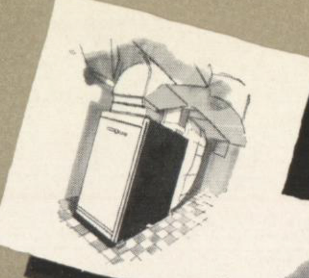
(g) Share owners' investment plus notes payable as of December 31 each year.

(h) These data cover all employees on the payroll and their total earnings for the year, including the number of, and amounts earned by, employees working on Nucleonics projects operated for the U.S. Government.

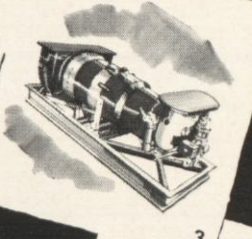
(i) Consolidated net earnings for the year—before interest on borrowed money—in relation to capital invested as of the close of the year.

TOMORROW'S BUSINESS at General Electric will be strengthened by increasing public acceptance of developments like these . . . each offering potentialities for business growth . . . each a development in which the Company has a major stake and a strong competitive position.

1. **HEAT PUMP . . . important new product in the field of home cooling and heating . . . see page 16.**
2. **SILICONES . . . chemical materials which, adhering to or reacting with other materials, increase resistance to heat, cold, moisture . . . page 13.**
3. **GAS TURBINES . . . new power source for locomotives, generating equipment, pipeline pumping . . . page 12.**
4. **JET TRANSPORTS . . . commercial aircraft powered by jet engines . . . page 10.**
5. **ULTRA-HIGH-FREQUENCY TELEVISION and color television, opening up new horizons for the electronics industry . . . page 18.**
6. **MASS INSTALLATIONS OF ELECTRIC DISPOSERS . . . replacing old-fashioned garbage collection . . . page 17.**
7. **FLUORESCENT STREET LAMPS . . . virtually glareless light that makes streets safer for motorists and pedestrians . . . page 15.**
8. **REMOTE CONTROL WIRING . . . giving greater flexibility, greater convenience to wiring systems . . . page 14.**
9. **HIGH-VOLTAGE TRANSMISSION . . . increasing the electrical load of power lines . . . page 11.**
10. **SEMICONDUCTORS . . . materials whose unique properties may revolutionize the electronics art . . . page 18.**
11. **ELECTRIC SINK . . . combining automatic dishwasher and food waste disposer . . . page 18.**
12. **STEAM IRON . . . two irons in one . . . page 18.**


1

2


3

4

5

6

7

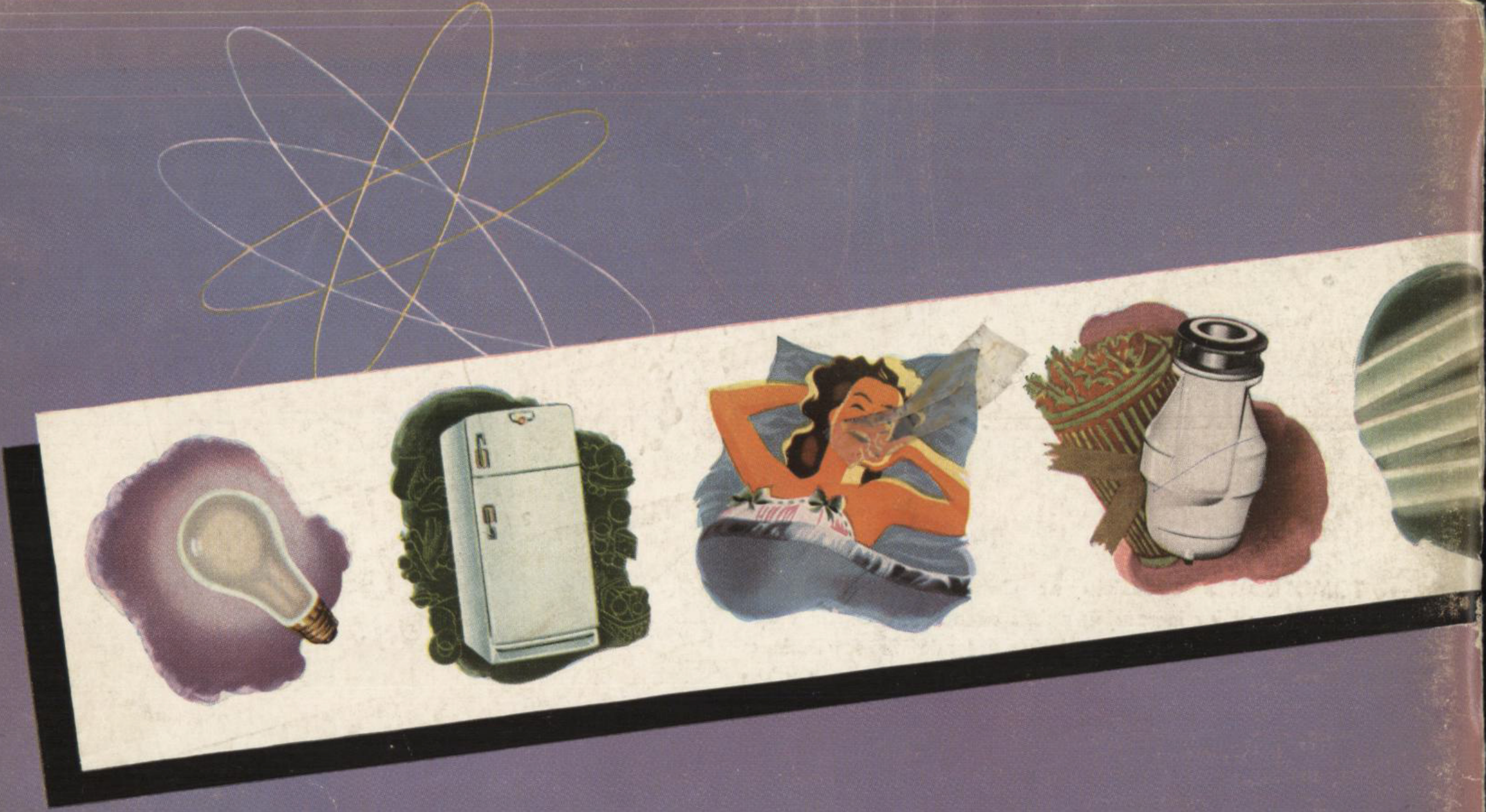
8

9

10

11

12



You can put your confidence in—

GENERAL ELECTRIC